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COMMONWEALTH OF AUSTRALIA.

Parliament

PARLIAMENTARY DEBATES.

SECOND SESSION, 1917-18-19.

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SEVENTH PARLIAMENT.

SECOND SESSION.

Governor-General.

His Excellency the Right Honorable Sir RONALD CRAUFURD MUNRO FERGUSON, a Member of His Majesty's Most Honorable Privy Council, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, and Commander-in-Chief in and over the Commonwealth of Australia.

Australian National War Government.

(From 17th February, 1917, to 8th January, 1918.)

Prime Minister and Attorney-General ...	The Right Honorable William Morris Hughes, P.C.
Minister for the Navy	The Right Honorable Joseph Cook, P.C.
Treasurer	The Right Honorable Sir John Forrest, P.C., G.C.M.G.
Minister for Defence	The Honorable George Foster Pearce.
Vice-President of the Executive Council ...	The Honorable Edward Davis Millen.
	Succeeded by
	The Honorable Littleton Ernest Groom (16th November, 1917).
Minister for Repatriation	The Honorable Edward Davis Millen (from 28th September, 1917.)
Minister for Works and Railways ...	The Honorable William Alexander Watt.
Minister for Home and Territories ...	The Honorable Patrick McMahon Glynn, K.C.
Minister for Trade and Customs	The Honorable Jens August Jensen.
Postmaster-General	The Honorable William Webster.
Honorary Minister	The Honorable Littleton Ernest Groom.
Honorary Minister	The Honorable Edward John Russell.

Australian National War Government.

(From 10th January, 1918.)

Prime Minister and Attorney-General ...	The Right Honorable William Morris Hughes, P.C., K.C.
Minister for the Navy	The Right Honorable Sir Joseph Cook, P.C., G.C.M.G.
Treasurer	The Right Honorable Lord Forrest, P.C., G.C.M.G.
	Succeeded by
	The Honorable William Alexander Watt (27th March, 1918)
Minister for Defence	The Honorable George Foster Pearce.
Minister for Repatriation	The Honorable Edward Davis Millen.
Minister for Works and Railways ...	The Honorable William Alexander Watt.
	Succeeded by
	The Honorable Littleton Ernest Groom (27th March, 1918).
Minister for Home and Territories ...	The Honorable Patrick McMahon Glynn, K.C.
Minister for Trade and Customs	The Honorable Jens August Jensen †
	Succeeded by
	The Honorable William Alexander Watt (13th December, 1918).
	Succeeded by
	The Honorable Walter Massy Greene (17th January, 1919).
Postmaster-General	The Honorable William Webster.
Vice-President of the Executive Council ...	The Honorable Littleton Ernest Groom.
	Succeeded by
	The Honorable Edward John Russell (27th March, 1918).
Honorary Minister	The Honorable Edward John Russell. (Appointed Vice-President of the Executive Council, 27th March, 1918).
Honorary Minister	The Honorable Alexander Poynton.*
Honorary Minister	The Honorable George Henry Wise.*
Honorary Minister	The Honorable Walter Massy Greene. (Appointed Minister for Trade and Customs, 17th January, 1919.)*
Honorary Minister	The Honorable Richard Beaumont Orchard **

*Appointed 26th March, 1918.——†Removed from office, 13th December, 1918.——**Resigned from office, 31st January, 1919

Senators.

President—Senator the Honorable Thomas Givens.
Chairman of Committees—Senator John Wallace Shannon.

[1]Bakhap, Thomas Jerome Kingston (T.)
Barker, Stephen (V.)
Barnes, John (V.)
Bolton, Lieut.-Col. William Kinsey (V.)
Buzacott, Richard (W A.)
Crawford, Thomas William (Q.)
De Largie, Hon. Hugh (W.A.)
Earle, Hon. John (T.)
Fairbairn, George (V.)
Ferricks, Myles Aloysius (Q.)
Foll, Hattil Spencer (Q.)
Gardiner, Hon. Albert (N.S.W.)
Givens, Hon. Thomas (Q.)
Grant. John (N.S.W.)
Guthrie, Robert Storrie (S.A.)
Guy, James (T.)
Henderson, George (W.A.)
Keating, Hon. John Henry (T.)
*[1]Long, Hon. James Joseph (T.)
Lynch, Hon. Patrick Joseph (W.A.)
Maughan, William John Ryott (Q.
[1]McDougall, Allan (N.S.W.)
Millen, Hon. Edward Davis (N.S.W.)
†Mulcahy, Hon. Edward (T.)
Needham, Edward (W.A.)
[1]Newland, John (S.A.)
O'Keefe, Hon. David John (T.)
O'Loghlin, Lieut.-Col. Hon. James Vincent, V.D. (S.A.)
Pearce, Hon. George Foster (W.A.)
Plain, William (V.)
Pratten, Herbert Edward (N.S.W.)
Reid, Matthew (Q.)
Rowell, Col. James, C.B. (S.A.)
Russell, Hon. Edward John (V.)
Senior, William (S.A.)
Shannon, John Wallace (S.A.)
Thomas, Hon. Josiah (N.S.W.)

1 Appointed Temporary Chairman of Committees, 12th July, 1917.——* Resignation reported, 20th December, 1918.
† Appointed by State Parliament, 15th January, 1919.——Sworn 26th June, 1919.

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some of the big parasitical interests of this country. The man who takes the skins and sells them, and obtains a commission for doing so, was cut out under Mr. F. W. Hughes' scheme. Mr. Hughes wanted to go direct to the carcass butchers and the firms who killed stock, obtain the skins from them, take them direct to his factory, and convert the wool into wool tops. He was able to do that for some time; but suddenly some of the brokers, who are so strongly represented on the Wool Committee, discovered that they were not getting a commission on the sales of sheepskins. They set themselves, as they were entitled to do, to devise ways to prevent Mr. Hughes from getting the skins, and succeeded in forming a combination that prevented him getting skins without paying commission to them. Mr. Hughes, however, is a man of some resource, as those who met him on the Wool Committee know, and he set himself to keep his business if he could. He formed a company, and went into the market as a purchaser of live stock.

Mr. McWilliams.—He beat the Wool Committee and the whole lot of them.

Mr. Tudor.—This business goes back some years before the Wool Committee. Mr. Hughes used to kill stock before ever there was a Wool Committee in this country.

Mr. HECTOR LAMOND.—Who said he did not? If the honorable member would listen he would not make such interjections.

Mr. Richard Foster.—The interjection of the honorable member for Yarra was very relevant to your statement.

Mr. HECTOR LAMOND.—So far as I can see, it is no more relevant than that of the honorable member now interjecting. I have not said anything as yet about the Central Wool Committee. The position of the industry was that it was established in the manner I have described; and it met with the opposition which I have indicated. Thus it was forced into the market to buy stock, and as the honorable member for Yarra (Mr. Tudor) tells us that an interested butcher in Victoria told him something different, I beg leave to remind honorable members that Victoria is not Australia.

Mr. Tudor.—Neither is New South Wales.

Mr. HECTOR LAMOND. — New South Wales is rapidly becoming a mere suburb of Victoria; but we shall alter that before this Parliament is very much older. Mr. Hughes established his industry in the manner I have described, and he operated in the markets of Sydney and Melbourne, and got his skins, and so on. Then the war broke out and the Central Wool Committee was formed. The first document which I saw in connexion with that Committee is most interesting. It had to do with the occasion when a representative of the carcass butchers came to Melbourne to object to the agreement then existing. In the interview between that representative and Sir John Higgins, as Chairman of the Committee, the latter laid down the principles which he held should guide the Committee; and he defended that first agreement to the last ditch. That is to say, he defended the agreement against the carcass butchers and in favour of the wool-tops people. Then came a sudden reversion. Mr. Hughes must have offended somebody, and we all know that to offend persons having autocratic powers sometimes costs one a great deal of money. Thereafter followed the decision that Mr. Hughes would have to conduct his business in an entirely different manner from that which had been his custom. He would not be allowed to derive any advantage from going into the stock market——

Mr. Page.—Why should he not be excluded from sending his skins away? Every one else in the community was.

Mr. Riley.—No.

Mr. HECTOR LAMOND.—The honorable member is right and wrong. The position which the honorable member for Maranoa (Mr. Page) has set out is one which has been voiced already to-day. Undoubtedly, they did close up the wool-scourers in the country, and I have seen no justification for that.

Mr. Lynch.—It was a monstrous act of tyranny.

Mr. HECTOR LAMOND.—That was so; and I voiced my objection to such a proceeding, and, indeed, in regard to

similar activities of all the Committees. We have certain powers because of the war; but the exercise of those powers should have been confined to the objects of the war. These Committees have no right to impose their will on any industry. As the hour is late, I ask leave to continue my remarks at a later stage.

Leave granted; progress reported.

ADJOURNMENT.

Expedition of Business.

Mr. GROOM (Darling Downs—Minister for Works and Railways and Acting Attorney-General) [10.37].—I move—

That the House do now adjourn.

I ask honorable members to assist me in expediting the passage of the measure which has just been discussed. A good deal of latitude has been permitted to-day to enable honorable members to express themselves on the general principles involved, and I think I am now entitled to ask that they shall restrict their further remarks as far as possible so that the Bill may be passed to-morrow.

Mr. Higgs.—You have no other business.

Mr. GROOM.—There are important Bills waiting. There is one dealing with the moratorium, and another relating to science and industry; and there are still others which are quite ready to be submitted.

Question resolved in the affirmative.

House adjourned at 10.39 p.m.

House of Representatives

Friday, 25 July, 1919.

Mr. Speaker (**Hon. W. Elliot Johnson**) took the chair at 11 a.m., and read prayers.

SHIPBUILDING.

Contracts with British Firms—Nautical Instruments.

Mr. HIGGS.—I desire to ask the Acting Minister for the Navy when he first received information with regard to the contract said to have been entered into by the Prime Minister (Mr. Hughes) for the construction of certain vessels in England at a cost of £2,000,000?

Mr. POYNTON.—I stated yesterday that I had not detailed information of the cost of those ships.

Mr. Higgs.—Then the honorable gentleman does not know whether the contract has yet been signed?

Mr. POYNTON.—I think the honorable member had better give notice of his question.

Mr. BOYD.—Will the Acting Attorney-General place on the table of the House copies of the cablegrams which passed between the Acting Prime Minister (Mr. Watt) and the Prime Minister (Mr. Hughes) on 10th March last, as the result of an interview that I had with the Acting Prime Minister regarding the purchase of ships for Australia at that time?

Mr. GROOM.—I am not aware of the contents of the cablegrams, but will inquire and furnish the honorable member with a reply on Wednesday next.

Mr. FINLAYSON.—I ask the Acting Minister for the Navy, in connexion with tenders invited for the supply of nautical scientific instruments for ships now being built in Australia for the Commonwealth, whether special consideration will be given to Australian manufacturers for the supply of these goods?

Mr. POYNTON.—I may state in reply to the honorable member that the policy of the Government is to give every consideration to Australian manufacturers in respect of all requirements in connexion with the construction of ships. Some articles which cannot be obtained here must be secured from abroad. Articles that can be obtained here are being purchased in Australia unless prohibitive prices are asked for.

RETIREMENT OF THE CHIEF JUSTICE.

Mr. CORSER.—Has the Acting Attorney-General any information to give as to the impending retirement of the Chief Justice?

Mr. GROOM.—The Government has received and accepted the resignation of the Chief Justice, Sir Samuel Griffith, which is to date from 31st August next. No steps have yet been taken for the appointment of a successor, but I am sure the House will permit me to say that it will be learned with regret that His Honour is retiring from the high and dignified office which he has filled with such conspicuous advantage to the public and the Commonwealth since the creation of the Court. Before accepting that office, he had a distinguished career both as a statesman and as a Justice of the Supreme Court of Queensland, and had earned a wide reputation. On his appointment to the High Court bench, he, with his colleagues of the Judiciary had cast upon him highly important duties associated with the interpretation of the Constitution, and the growth and development of the Commonwealth has been so rapid that his work of recent years has been enormously increased. In the exercise of his functions, the Chief Justice has undoubtedly brought to bear upon every case heard by him the strictest impartiality, deep research, and profound learning, and a ripeness of judgment begot of great experience in many offices. As Chief Justice of Australia, Sir Samuel Griffith has upheld the highest traditions of the British Judiciary, and has preserved the noblest ideals of the administration of justice so well recognised throughout the British realm. His resignation will be received with deep regret everywhere in Australia, and the wish will go out from the people generally that the remainder of his life may be passed in peace and comfort.

Mr. HIGGS.—Will the Acting Attorney-General state whether the Government propose to follow the old practice of appointing as successor to the present Chief Justice a member of the Bar, or do they propose to give due consideration to the claims of present members of the High Court bench?

Mr. GROOM.—In making the appointment the Government will take into consideration the qualifications of those whom they think to be fitted to fill so high and responsible an office.

DAY SITTINGS OF PARLIAMENT.

Mr. MAHONY.—Is the Minister in charge of the House aware of the extreme danger to which peaceful citizens who have to traverse the streets of Melbourne after dark are subject, and in view of that fact will the Government arrange for day sittings of Parliament so that honorable members may reach their homes before dark, and avoid the risk of being molested in the streets? Failing that will the Government take the necessary steps to provide honorable members with a suitable escort to insure their safety?

Mr. GROOM.—I am not aware that the conditions of the streets of Melbourne are as bad as the honorable member suggests. The only conclusion I can come to is that the honorable gentleman's beauty constitutes a source of risk to himself.

RESTRICTIONS ON ALIENS.

Mr. LAIRD SMITH.—Will the Minister for Home and Territories state whether it is a fact that foreigners other than coloured persons are allowed to enter Australia without having to produce a passport, or any restriction being imposed?

Mr. GLYNN.—Subject to a few exceptions, no person is allowed to land in Australia without a passport. The wives of returned soldiers, for instance, do not come within that rule, but, speaking generally, not only aliens, but others, are obliged to produce a passport before being permitted to land.

WHEAT POOL.

FINAL WHEAT PRICES—COMMISSIONS—CONSTRUCTION OF SILOS.

Mr. SAMPSON.—Will the Acting Leader of the House request the Central Wheat Board to make an early announcement as to the final prices that wheat in the various Pools is expected to realize so that growers who are holders of scrip may not place such scrip on the open market, and for want of knowledge on the subject sell it at reduced prices.

Mr. GROOM.—I shall bring the matter immediately before the responsible Minister, and see what can be done.

Mr. LECKIE.—Is it a fact, as seems to have been disclosed by evidence given in Sydney, that members of the Australian Wheat Board have been granting themselves commissions for carrying out their functions as managers of the Wheat Pool?

Mr. GROOM.—I think the honorable member is rather anticipating that certain statements which have been made are facts. I have not seen the statement to which he refers, but as the matter is the subject of a special inquiry by an impartial tribunal, I think it would be better to await the decision of that tribunal.

Mr. LECKIE.—I was not referring to that.

Mr. GROOM.—Perhaps the honorable member will be good enough to repeat his question.

Mr. LECKIE.—The statement has appeared that the evidence given before the Wheat Board in Sydney has disclosed that members of the Advisory Board managing the Australian Wheat Pool have been granting themselves commissions on the sale of wheat. Does the Minister think that is advisable in the interests of Australia?

Mr. GROOM.—I apologize to the honorable member for having misunderstood his question when first stated. I thought he was referring to certain State agents. Obviously, I am not in a position to express an opinion upon statements which apparently have only been reported in a condensed way in the press. If the honorable member will give notice of his question, I will make inquiries.

Mr. RILEY.—Is the Acting Treasurer prepared to make a statement as to the amount of money which the Treasury has supplied for the construction of silos? Can the honorable gentleman state what progress has been made in their construction in each State, and when their construction is likely to be completed?

Mr. POYNTON.—If the honorable member will put his question on the notice-paper, and give me the opportunity to obtain the necessary information for him, I shall do so.

INFLUENZA OUTBREAK AT PENTRIDGE.

Mr. FENTON.—Is the Minister in charge of the House aware that the influenza epidemic is raging at Pentridge, and, since men have been committed to that prison of recent date, will he make representations to the State authorities that the risk of sickness should not be added to the discomforts of prison life?

Mr. GROOM.—This is entirely a matter of State administration.

Mr. FENTON.—But the Government could make representations to the State authorities.

Mr. GROOM.—I have not heard of an outbreak of influenza at Pentridge, but I presume the honorable member bases his question on definite information in his possession.

Mr. FENTON.—I do.

Mr. GROOM.—I shall have the honorable member's statement at once brought under the notice of the proper authorities.

FOOD SHORTAGE IN PAPUA.

Mr. BOYD.—Is the Minister for Home and Territories aware of the very serious position at Rabaul, Samarai, and Port Moresby, owing to the want of food, and, if so, is he taking steps to at once supply the shortage?

Mr. GLYNN.—I am aware of the difficulty. We received a wireless telegram on Wednesday explaining the position, and arrangements are being made for rationing, if necessary, and for the despatch of whatever food supplies are requisite. There has been a drought in Papua——

Mr. BOYD.—People there are starving.

Mr. GLYNN.—The position is not quite as bad as that. We took action as soon as the first wireless message was received.

SUPPLY OF WIRE NETTING.

Lt.-Colonel ABBOTT.—Will the Minister for Trade and Customs inform the House what action has been, or will be, taken in the near future by the Government to procure an adequate supply of wire netting for rabbit-proof fencing purposes, and to insure its supply at a reasonable price.

Mr. GREENE.—No action has been taken by the Government up to the present to secure wire netting, for the reason that we could only buy in the open market exactly as any importer might do. The reason why supplies of netting are so scarce at the present time is that there is a falling market. No one desires to operate in a large way on a falling market, since those who did so would find themselves landed eventually with stock bought at high prices which they would have to sell in competition with wire netting bought at low prices. The Government would be in exactly the same position if it purchased wire netting at the present time. I am glad to be able to say, however, that within the next six weeks or so a very large plant will be in operation in Australia which will be able in a very short time to draw sufficient wire to meet the whole of Australia's requirements in wire netting. Once the wire is drawn, the actual weaving of it into mesh is a comparatively easy matter.

NORTHERN TERRITORY.

INTRODUCTION OF HARES: PROSPECTING.

Mr. FINLAYSON.—In view of a statement appearing in the press that it is proposed to introduce hares into the Northern Territory, I ask the Minister for Home and Territories whether this is for the purpose of increasing the food supply, or is it being done at the request of the pastoralists of the Territory?

Mr. GLYNN.—I have not heard of the intention to introduce hares into the Northern Territory recently. I shall make inquiries, and let the honorable member know the result next Wednesday.

Mr. LYNCH.—Will the Minister say whether there is at the present time any special organization in existence to assist prospecting for minerals in the Northern Territory?

Mr. GLYNN.—Within the limits of a vote, the total of which is, I think, £5,000, some prospecting is being done. Arrangements were made for three parties, but two have been sent up to the Northern Territory, and I believe arrived there about a fortnight ago, and have now gone out prospecting in certain districts. I saw some of the members of these parties, and they were all returned soldiers.

SHIPPING.

OVERCARRIAGE OF GOODS FROM WESTERN AUSTRALIA.

Mr. FOWLER.—I ask the Acting Minister for the Navy, in view of the hardship and expense caused by merchandise in oversea ships, intended for Western Australia, being overcarried to the Eastern ports, will he give instructions that the practice shall cease, and goods be delivered at the ports to which they are consigned?

Mr. POYNTON.—If the honorable member will put his question on the notice-paper, I shall see what can be done in the matter.

THE MINISTRY.

Mr. HIGGS.—I ask the Minister in charge of the House if there is any truth in the statement that Senator Millen is about to resign from the Ministry, and that the Acting Prime Minister (Mr. Watt) is also about to resign? Is the Ministry breaking up?

Mr. GROOM.—The honorable gentleman, in the last part of his question, discloses the reason for the first part of it. I am afraid that his question is indicative of his hopes, aspirations, and ambitions. I have not heard of the intention to resign of the members of the Ministry to whom he has referred. There is plenty of virility in the Ministry, and they are prepared to battle on, and do their duty to Australia.

AVIATION.

PRIZE FOR FLIGHT FROM GREAT BRITAIN TO AUSTRALIA.

Mr. FINLAYSON.—An announcement was made some time ago that the Commonwealth Government were prepared to offer a prize of £10,000 for a flight from Great Britain to Australia. I should like to know if any progress has been made in the matter. When may we expect a statement as to what is likely to be done?

Mr. GROOM.—If the honorable member will give notice of his question, I shall have inquiries made, and see how the matter stands.

ELECTORAL.

Proportional Representation for Senate.

Mr. HIGGS.—I ask the Minister for Home and Territories whether, in view of the possibility, if not the probability, of an early Federal election, he will immediately introduce the Bill which the Government propose to submit to Parliament to bring about proportional representation for the Senate.

Mr. GLYNN.—In answer to the honorable gentleman I may say that the particular Bill which will be introduced will come on at the most favorable opportunity, which will depend largely upon the extent to which we subordinate discussion in this House to the public interests.

POST AND TELEGRAPH DEPARTMENT.

Extension of Facilities to Country Districts.

Mr. LECKIE.—In view of the substantial profit disclosed by the operations of his Department, brought about by his careful management, will the Postmaster-General now consider the desirability of altering the policy of restricting the facilities provided for small country districts?

Mr. WEBSTER.—In reply to the honorable member, I should like to say, in regard to the last part of his question, that there is no legitimate foundation for his statement, as the Department has not restricted services that were obtainable before my advent to the office of Postmaster-General. Further, I wish to say that the credit balance shown is the balance for 1918, and the Treasurer has that money. Honorable members are aware that the Treasurer is as accessible to their appeals in this House as I am. The Acting Prime Minister (Mr. Watt) has promised that he will consult with me on the general proposition of the treatment of the people in the back country, and people generally in the matter of post and telegraph facilities. I do not know that there is any necessity to do so, because my sympathies have always been with the people of the back districts. I have represented as large a constituency of country people as any other member of the House.

Mr. Blakeley.—One cannot say that the honorable gentleman's sympathy is practical.

Mr. WEBSTER.—The Acting Prime Minister has promised to see me and consult with regard to the future, but he has not been able to do so for reasons of which honorable members are aware.

QUESTIONS.

Mr. SPEAKER (**Hon. W. Elliot Johnson**).—I take this opportunity to again remind honorable members that irregular debates on questions are quite out of order. I have several times called attention to the prevalence of the practice which, if it continues, will place me in the very unpleasant position of having to curtail the questions put without notice. I do not wish to do that unless I am obliged to do so. It is not in accordance with parliamentary practice for questions to involve the House in irregular debates. Questions are designed to ask for information on administrative affairs from the Ministers in charge of the various Departments. Answers to questions should not involve cross firing or comment by honorable members. I ask honorable members to permit Ministers to reply to their questions without comment.

PEACE CELEBRATIONS.

Use of Parliament House Steps.

Mr. BOYD.—I desire, sir, to ask you a question without notice. On Friday last a notice appeared in the evening paper, published in Melbourne, stating that at the function that was to be held on Parliament House steps on the Saturday, the gold passes issued to members of this Parliament would not be recognised. I should like to know what authority the military people had to usurp your powers, and prevent honorable members of this House entering this building?

Mr. SPEAKER (**Hon. W. Elliot Johnson**).—I may inform the honorable member that I did not see the notice in the newspaper to which he

has referred, but the matter was mentioned to me. It was also reported to me that some honorable members had been interfered with by military officers on duty at the time, under the instruction, apparently, of officers placed specially in charge of the function on Saturday. An attempt was made to prevent certain honorable members entering the building, even, in some cases, where they showed their gold passes. I may point out that permission to use the steps of Parliament House for functions outside of those associated with Parliament itself, is given, always subject to the reservation that the rights of honorable members to free ingress to and egress from the building should be strictly respected. When complaint was made to me that members had been refused access to the building by military officials, I informed the officer in charge that such interference could not be permitted. Since honorable members informed me that interference with them had taken place I have written to the State Commandant, Brigadier-General Brand, bringing the matter under his notice, and expressing the hope that my intimation would be sufficient to prevent a recurrence of anything of the kind in the future. I may add that both the President of the Senate, and myself, have insisted on the observance of the condition regarding the rights and privileges of members in connexion with previous functions for which we gave permission for the use of the parliamentary buildings.

AMUSEMENTS TAX.

PATRIOTIC ENTERTAINMENTS.

Mr. HECTOR LAMOND.—Just before the Acting Prime Minister (Mr. Watt) took ill I brought under the notice of the House the case of patriotic societies, which it is sought to make liable to the amusements tax, on the ground that the expenses of entertainments promoted by them exceeded 50 per cent. of the proceeds. Has any consideration been given to this matter?

Mr. POYNTON.—The matter has not come under my notice, but I shall make inquiries, and inform the honorable member as to the result.

Mr. TUDOR asked the Acting Prime Minister, *upon notice*—

As the war-time profits tax will not be collected from 30th June last, and the increased land tax will be payable only up to that date, do the Government intend to take action in the direction of abolishing the present amusement tax, which was said to be only a war measure?

Mr. GROOM.—The answer to the honorable member's question is as follows:—

The war-time profits tax, in respect of the years 1917-18 and 1918-19, will be collected in the years 1919-20 and 1920-21 respectively. The question of continuing the increased land tax and the present amusement tax will be considered in connexion with the forthcoming Budget.

INDUSTRIAL UNREST.

NATIONAL CONFERENCES.

Mr. BURCHELL asked the Acting Prime Minister, *upon notice*—

1. Whether it is a fact that the Imperial Government, in February last, convened a National Conference of representatives of manufacturers and employees to consider and advise them (the Imperial Government) regarding the causes of industrial unrest, and the best means to re-absorb demobilized soldiers in civil employment?

2. Is it a fact that Canada is now convening a similar Conference in that Dominion?

3. Will the Government agree to the convening of a Conference of representatives of manufacturers and workers throughout Australia with a similar object?

Mr. GROOM.—The answers to the honorable member's questions are as follow:—

1. Beyond a statement regarding the matter which appeared in the press, the Government have received no official advice of such a Conference.

2. I am unaware.

3. The Government have, for some time, been endeavouring to arrange for such a Conference, and hope to make an early announcement.

KALGOORLIE TO PORT AUGUSTA RAILWAY: CAPITAL COST.

Mr. RICHARD FOSTER asked the Minister for Works and Railways, *upon notice*—

1. What is the actual capital cost of the East-West railway, inclusive of land, buildings, rolling-stock, and other equipments, also interest during construction, to 30th June, 1919?

2. Is the interest on capital, from whatever source, charged against the operations of the said railway at current rates during the respective loan periods on a proper commercial basis?

3. What other prospective liabilities are in contemplation?

4. If any, to what amount?

5. What proportion of revenue since the opening of the railway is (*a*) from the public; (*b*) from departmental bookkeeping revenue for constructional or similar purpose.

Mr. GROOM.—The answers to the honorable member's questions are as follow:—

1. The actual cost of the Trans-Australian railway, inclusive of lands, buildings, rolling-stock, and other equipment, to 14th June, 1919 (the latest date to which returns have been received) is £6,791,340.

2. The practice, as far as the State railways are concerned, is for interest not to be charged until the line has been taken over in working order. The revenue received goes to meet working expenses, which at present exceed returns; later on, any excess over working expenses will go towards payment of interest.

3 and 4. Submissions have been made in connexion with the Estimates of Expenditure for 1919-20, which are now under consideration.

5. (*a*) £239,437 12s. 10d. (1st November, 1917, to 31st May, 1919).

(*b*) £27,445 18s. 9d. (1st November, 1917, to 31st May, 1919).

DECLARATION OF PEACE.

Release of "Political" Prisoners.

Mr. TUDOR (for Dr. Maloney) asked the Acting Prime Minister, *upon notice*—

1. In view of the Declaration of Peace, will the Government consider the freeing of all political prisoners, including Messrs. Long, Seminoff, and Freeman?

2. Failing the above, will the Australian-born political prisoners be liberated?

Mr. GROOM.—The extent of the remissions made by the Government on the occasion of the Peace celebrations has already been announced. Further consideration will be given to individual cases where the Government are satisfied that such consideration is called for. The Government do not, however, recognise the existence of a class of prisoners known as "political prisoners." As regards Mr. Seminoff, it is understood that he was liberated on 21st instant.

WAR SERVICE HOMES.

Purchase of Materials.

Mr. BAYLEY asked the Minister representing the Minister for Repatriation, *upon notice*—

1. Whether the Department is contemplating purchasing abroad certain materials necessary for the construction of houses under the War Service Homes Act?

2. If so, what is the nature of the materials?

3. Could not many, if not all, of these be secured in Australia, thus giving employment to, amongst others, many returned soldiers?

Mr. POYNTON.—The Government are certainly inquiring as to supplies which are available, with a view to meeting their needs, but local products will be used to the fullest extent possible.

PUBLIC SERVICE ORGANIZATIONS.

Mr. BLAKELEY asked the Acting Prime Minister, *upon notice*—

1. Whether it is a fact that representatives of the Public Service organizations are being penalized by the Acting Public Service Commissioner, in consequence of absence on authorized leave, without pay, in connexion with matters pertaining to the Interpretation Board and Arbitration Court, first, by the loss of a day's annual leave for every day's absence in excess of twenty-six days, and, in addition, by deferment of increment for all absence in excess of thirty days?

2. If so, will the Minister inform the House as to the particular provisions of the Public Service Act or regulations under which such action is taken, and whether such is in accord with the desire of the Minister in such matters; and

3. In view of the fact that the representatives referred to are adopting constitutional means for the settlement of industrial matters in dispute, will the Minister take the necessary steps to have the penalty restrictions removed?

Mr. GROOM.—Inquiry will be made.

INCOME TAX: DEDUCTIONS FOR DEPENDANTS.

Mr. BAYLEY asked the Treasurer, *upon notice*—

Why contributions to dependants are admitted as deductions from the taxable income of bachelors and widowers, but are not recognised in the case of married men?

Mr. POYNTON.—The Commissioner of Taxation has supplied the following information:—

The question does not correctly state the law. The Income Tax Assessment Act allows a deduction of £26 in respect of each child who is under the age of sixteen years at the beginning of the financial year, and who is wholly maintained by a taxpayer who is not an absentee. This deduction applies to all persons, whether married or single, who actually maintained children under sixteen years of age. The law also provides that, in the case of married persons and persons who have relatives by blood, marriage, or adoption, towards whose maintenance they have contributed, at least, £26 during the year in which the taxable income was derived, the diminishing general exemption of £156 shall be deducted from the total income. The diminishing general exemption in the case of persons who are not married and who have no dependants is only £100.

PEACE CELEBRATIONS: SYDNEY.

Mr. BLAKELEY asked the Acting Prime Minister, *upon notice*—

1. Whether it is a fact that the Commonwealth Government were represented on the Peace celebration at Sydney by Hugh J. Ward?

2. If so, is this gentleman a citizen of Australia or America?

3. Before America came into the war, did he register as an alien, and under what name and title?

4. What is the total amount paid for the services of bands during the Peace celebrations in Sydney?

5. Is it a fact that the services of returned soldiers and professional musicians were not included in the engagement of bands?

6. Is it a fact that the gentleman in charge of the bands prevented the professional musicians from taking any part in the celebrations, owing to the fact that there was a dispute between himself and the musicians in relation to grand opera?

Mr. GROOM.—Inquiry will be made.

WHEAT BOARD.

ASSETS AND CONTRACTS: WHEAT SCRIP.

Mr. JOHN THOMSON (for Mr. AUSTIN CHAPMAN) asked the Acting Prime Minister, *upon notice*—

1. In view of the public statements by the Australian Wheat Board recently, and prior to the last sale to the British Government, that 2,000,000 tons of wheat were unsold and the overdraft of the Pool exceeded £18,000,000, will the Minister state what other assets exist (besides the unsold wheat) that may be applied later on towards the reduction of the overdraft?

2. Will the Minister inform the House whether all contracts for the sale of wheat or flour by the Board have been completed and full payment made to the Board of the contract prices?

3. In view of the fact that wheat-growers holding scrip for their wheat may be misled and thereby induced to sacrifice their scrip below its value by statements of an official character which omit material facts relating to finance, will the Minister give directions that in future the Wheat Board shall show, as nearly as is practicable, the amounts owing to it on sales, &c., as well as the overdraft on the banking account in Australia or elsewhere?

Mr. GROOM.—The answers to the honorable member's questions are as follow:—

1. The Australian Wheat Board has no assets except office fittings and furniture. In addition to unsold stocks of wheat, the State offices have assets of such a nature as galvanized iron, sterilizers, cleaning plants, skeleton sheds, elevators, conveyors, bag-mending machines, timber, inclusive of dunnage, &c.

2. There are contracts for which payment has not been received, as deliveries have not yet been made.

3. I shall submit the honorable member's proposal to the Wheat Board for consideration and report.

BUTTER POOL.

COMMONWEALTH BANK CHARGES.

Mr. MACKAY asked the Minister for Trade and Customs, *upon notice*—

Will he inform the House as to what the work of the supervision of the Commonwealth Bank consists of for which the Butter Pool of 1917-18 was charged the sum of £12,765 3s. 11d.?

Mr. GREENE.—The information is being obtained.

MEAT INSPECTORS' WAGES.

Mr. GREENE.—On the 23rd July, the honorable member for Melbourne Ports (Mr. Mathews) asked me if I could inform the House as to when the Government intend to carry into effect the award made by Mr. Justice Powers increasing the wages of meat inspectors

for the Commonwealth. I am now able to furnish the honorable member with the following information:—

The award provided that it was to be laid before both Houses of Parliament, and, unless disapproved within thirty days, was to come into operation retrospectively as from the 1st April last. Parliament was not sitting when His Honour Mr. Justice Powers made the award (about March last), but the papers relating to the award were laid before Parliament on the 25th ultimo. Unless Parliament disapproved, the award would, therefore, come into operation from to-day inclusive. Parliament has not disapproved of the award, and the collectors in the several States have, therefore, been instructed by urgent wire to adjust at the earliest possible moment salaries and other payments under the award as from the 1st April last.

COMMERCIAL ACTIVITIES BILL.

In Committee (Consideration resumed from 24th July, *vide* page 10994):

Clause 6 (Continuance of War Precautions (Wool) Regulations and War Precautions (Sheepskins) Regulations).

Upon which Mr. HIGGS had moved by way of amendment—

That the following sub-clause be added:—

"(4.) Notwithstanding anything appearing to the contrary in any Act or regulation or agreement, all books, vouchers and documents in the possession or under the control of the Colonial Combing, Spinning, and Weaving Company Limited, and Whiddon Brothers Limited, and relating to the purchase, manufacture, and/or sale of the sheepskins, wool, and wool tops referred to in any agreement made or to be made with the said companies by or on behalf of the Commonwealth Government, shall be produced to the Auditor-General of the Commonwealth, who shall inspect, audit and examine such books, vouchers and documents; and shall from time to time prepare and sign a report for submission through the Treasurer to both Houses of the Parliament. And the said companies shall facilitate in every way the checking by the said Auditor-General by a continuous audit of all calculations made by the said companies in ascertaining the net earnings of the companies for the purposes of any agreement. It shall be the duty of the Auditor-General to decide what amounts should be credited and debited in order to ascertain the net earnings of the companies, and his decision shall be final and binding on both parties. The Auditor-General may disallow any items, and such items shall be omitted from the accounts. The Auditor-General may, by writing under his hand, appoint any person to exercise such powers and perform such duties of the Auditor-General under this Act as he thinks fit."

Mr. Greene.

Mr. HECTOR LAMOND (Illawarra) [11.39].—I had practically completed my remarks on the point with which I was dealing when progress was reported last night, and I propose to reserve any further comments until I submit the amendment of which I have given notice, when I hope to deal with the probable future of the company concerned under the present arrangement.

Mr. BLAKELEY (Darling) [11.40].—The amendment simply asks that Parliament shall exercise some supervision over the Wool Pool, and, to that end, that an independent auditor, appointed by the Government, shall have power to investigate the accounts. What is there to object to in such a proposal? During the last four years and a half the Government have, unfortunately, adopted the course of keeping everything secret, and this very questionable policy has obtained such a hold over the Government, and the Government Departments, that there is strong disinclination to depart from it. In the reconstruction period, which will be upon us very shortly, and may continue for five or six years, revolutionary ideas with regard to the whole of the trading concerns of the country, must, if we are to pull through, be introduced. One of the main factors to be considered is that of publicity, and the right of the people to know, not only how Government concerns, including Pools and similar institutions, but also trading companies and financial institutions generally, are conducted. In the present instance we have the extraordinary spectacle of an auditor, who has nothing to do with the Government, in such a position that he is able to defy the people of Australia, and refuse to make any documents or information available. Under the companies law to-day the Government have not that full power which is necessary in this connexion; but the time is not far distant when the people will demand to be fully informed on all such matters. The present occasion offers an opportunity to the Government to, at least, do something on the lines I am suggesting, and provide proper supervision, not only of Government affairs, but of the administration of private capital.

The auditor in the case immediately before us has, as I say, practically defied the Commonwealth, and, apparently, the Government do not desire to apply any remedy. If all is honest and above board, there is no need for secrecy; but, unfortunately, our commercial life is not honest, and it is only by trickery and fraud and the manipulation of figures that many companies hide their true position. The Government are practically approving of the practice of allowing private accountants, rather than the Auditor-General, to deal with what is essentially a national matter. The Auditor-General should have full and complete power to audit all the Pools affected by this Bill, and that power will have to be given sooner or later, whether or not the Government are agreeable.

Mr. TUDOR (Yarra) [11.47].—I agree with the honorable member for Franklin (Mr. McWilliams) and the honorable member for Dampier (Mr. Gregory), that the proposed amendment is too narrow; it should be made to apply to all firms. With the approval of the mover (Mr. Higgs) I move that the following words be added to the proposed new sub-clause:—

The Auditor-General of the Commonwealth or his officers shall inspect, audit, and examine the books, vouchers, and documents of all persons, firms, or companies having contracts with the Central Wool Committee.

Any person who has read the last report of the Auditor-General will admit that that officer should have the power which the amendment seeks to give him. Last night the honorable member for Illawarra (Mr. Lamond) said that the proposal for an audit by the Auditor-General would be all right if it applied to all firms having business with the Central Wool Committee. But the Colonial Combing, Spinning, and Weaving Company and Whiddon Brothers occupy a different position from that of any other firm, inasmuch as the Government have practically taken a partnership with them in the sale of wool tops. The honorable member was not correct in saying that the action of the honorable member for Capricornia (Mr. Higgs) was preventing wool tops being made in Australia, and forcing the trade to Japan. The responsibility must be placed upon the Central Wool Committee and upon the Government, because of the action they have taken. At the present time the Government are suing the Colonial Combing, Spinning, and Weaving Company, which is the successor of F. W. Hughes Limited, for the recovery of about £280,000. I have no quarrel with any manufacturers. A few years ago I visited the factory of F. W. Hughes Limited, and I agree that it would be to the advantage of the Commonwealth if we could convert all our wool into tops before exporting it. I had the privilege of supporting the first Bill to give a bounty for the manufacture of wool tops, and thus afford F. W. Hughes Limited and Whiddon Brothers a chance to establish their industries.

Mr. GROOM.—I introduced the Bill.

Mr. TUDOR.—And later I introduced amending Bills to extend the bounty and fix the labour conditions in the industry. But the question we are now dealing with is as to whether it is right that the Auditor-General should audit the accounts of these two firms which have made contracts with the Central Wool Committee. The Auditor-General and the then Treasurer (Lord Forrest) sought to get that power, but the Central Wool Committee insisted upon appointing their own auditor. When Lord Forrest said he was not satisfied and desired a further audit, the Chairman of the Central Wool Committee said that the report of their own auditor was final, and if the Treasurer desired further information he must apply to the companies. That is a humiliating position in which to place this Parliament. As partners in the business of wool top manufacture we are directly interested in all the transactions. I am informed that Mr. Allard, the auditor appointed by the Central Committee, is paid by the Colonial Combing, Spinning, and Weaving Company and not by the Commonwealth. We should have an independent auditor, and nobody could be more suitable than the Auditor-General, in whom honorable members have complete confidence. Many people are saying that the various Pools have fallen into their present unsatisfactory state solely because insufficient care has been exercised in the past management

of them. I believe that Mr. Grahame admitted before the Royal Commission in Sydney that 3,000,000 bushels of wheat have been lost from the Pool in that State. It is said that a mistake was made in not having an audit sooner. Parliament has now the opportunity of insisting upon a proper audit of all the Pools, and if we fail in our duty we must take the responsibility.

Mr. LAIRD SMITH.—Why confine this proposal to the Wool Pool?

Mr. TUDOR.—That is the only Pool we can deal with under the clause now before the Committee. But if the honorable member will move a similar amendment in regard to other Pools, I shall support him. No honorable member will say that the protest of Lord Forrest was made for a party purpose. The Commonwealth is placed in an unfair position when the auditor appointed by the Central Wool Committee is paid by the company; he is the servant of the company, and not of the Commonwealth. Why have an audit at all unless it is an independent one?

Mr. LECKIE.—Was the auditor chosen by the company?

Mr. GROOM.—No; he is an independent auditor.

Mr. LECKIE.—That makes a difference.

Mr. TUDOR.—I ask honorable members to deal with the amendment on its merits, and not to be influenced by the fact that it emanated from a member on the Opposition side of the House. My only purpose is to have the auditing done by the Auditor-General, or an officer appointed by him, and not by a private auditor.

Mr. LAIRD SMITH.—The Auditor-General is not an official of the Government.

Mr. TUDOR.—He is an official of the Commonwealth, and is independent of even the Government. Parliament deliberately made him so.

Mr. FLEMING.—Why does not the honorable member let his amendment stand by itself?

Mr. TUDOR.—I am not empowered to withdraw another honorable member's amendment. My proposal, which is to add something to the amendment submitted by the honorable member for Capricornia (Mr. Higgs), will merely give effect to the request of the Auditor-General and the late Lord Forrest. I hope that honorable members will vote for it.

Mr. GROOM.—The Government cannot accept it.

Mr. TUDOR.—All the brains of this Parliament are not covered up when Ministers put on their hats. A Bill can be amended in minor details without inflicting injury on the Ministry. It has often been my experience, as a Minister, to find members of our party voting solidly against clauses of a Government Bill. It is the duty of the Committee to make measures the best possible. My amendment will improve this Bill.

Mr. GROOM (Darling Downs—Minister for Works and Railways and Acting Attorney-General) [12.5].—I hope honorable members really understand what would be the effect of the acceptance of the proposed addition to the amendment submitted by the honorable member for Capricornia (Mr. Higgs). His proposal was that the Auditor-General of the Commonwealth should have power to inspect, audit, and examine all books, papers, documents, and vouchers of the Colonial Combing, Spinning, and Weaving Company Limited, and Whiddon Brothers Limited, relating to the purchase, manufacture, and sale of the sheep skins, wool, and wool tops referred to in any agreement made or to be made by the Commonwealth Government with these companies. The proposal of the honorable member for Yarra (Mr. Tudor) is to accept the principle that the Commonwealth Auditor-General shall have power to examine not only the books, vouchers, and documents of the two firms with whom particular contracts have been made, but also those of all persons, firms, or companies having contracts of any kind or description with the Central Wool Committee. If a municipal council leases to the Central Wool Committee a piece of land, the Auditor-General is to be authorized to inspect the accounts of the municipality. If a firm of carriers enters into a contract with the Central Wool Committee to carry wool, power is to be given to the Auditor-General to inspect all the books of that firm.

Dr. Maloney.—Yes; to find out if they are "going straight."

Mr. GROOM.—This power is to be given, not for any specific purpose, but, as the honorable member has just said, in order to see if anything may be found in the books of these firms affecting the Commonwealth; just out of idle curiosity, to ascertain if they are "going straight." It is a hopeless amendment, and is only put forward because, as certain suggestions have been made by individual members on this side of the chamber, the honorable member hopes to catch their votes, with a view to getting them to go the whole way with him. The Wool Committee made contracts with Whiddon Brothers Limited and the Colonial Combing, Spinning, and Weaving Company Limited. These contracts contained the provision:—

That all books, papers, and documents in the possession or under the control of the company and relating to the purchase, manufacture, or sale of the sheepskins or wool tops referred to shall be produced to an auditor nominated by the Commonwealth Government for that purpose.

It was also provided that it should be the duty of the auditor to decide what amounts should be credited and debited, in order to ascertain the net earnings of the company, and his decision should be final and binding on both parties. The auditor had power to disallow items. An independent audit was thus provided for. Agreement has been made with the Commonwealth with these two firms, and also with the Yarra Falls Company, and in each case there is provision for this independent audit.

Mr. Burchell.—Will the Minister accept the amendment of the honorable member for Capricornia (Mr. Higgs), as suggested to be amended by the honorable member for Yarra (Mr. Tudor)?

Mr. GROOM.—No; because to do so would mean a violation of the contract made with these firms. An agreement has been entered into whereby a certain person has been appointed as auditor. The gentleman appointed as auditor in connexion with the agreement with the Yarra Falls Company is already an officer of the Commonwealth Audit Office. Both parties have agreed to accept him as their auditor. As a matter of fact, he is the accountant of the Central Wool Committee, and that body has agreed to allow him to undertake the work. The honorable member for Yarra (Mr. Tudor) now asks us to set aside the agreement we have made with firms who have, on the strength of those agreements, accepted certain persons as their auditors. I am prepared, on behalf of the Wool Committee, to give the assurance that all future agreements will stipulate for the appointment of an officer of the Commonwealth Audit Office.

Mr. Fleming.—Why exclude the Auditor-General, who asks to be brought in?

Mr. GROOM.—I am not excluding him; but what sort of a proposition is it to bring him in in breach of an agreement?

Mr. Fenton.—What odds if we do commit a breach of an agreement in order to secure the Commonwealth!

Mr. GROOM.—Is that the idea? That is a nice "scrap of paper" argument. Under the agreement with the Colonial Combing, Spinning, and Weaving Company Limited, Mr. G. M. Allard was appointed as independent auditor, and because of his commercial knowledge and capacity to enter into the intricacies of commercial life, and audit and investigate them, a more suitable officer could not have been chosen.

Mr. Fleming.—No one will object to him.

Mr. GROOM.—This is a letter sent from the Treasury, and signed by Mr. Cerutty, the Assistant Secretary to the Treasury:—

25th April, 1918.

On the 6th November last, the late Treasurer addressed to the Prime Minister a letter dealing with the audit of accounts of the firms who are manufacturing wool tops. A letter has now been received from the Auditor-General in which he stated he is prepared to formally appoint Mr. George Mason Allard to act on his behalf in making audits.

Mr. Allard would also be required to certify to statements and prepare reports for the Auditor-General.

The Auditor-General considers that the alternative course, namely, for one of the Audit Office staff to make inspections from time to time, would be inadvisable.

The Treasurer concurs in the appointment of Mr. Allard as suggested, if no objection is raised by the Central Wool Committee or by your Department.

Later on, the Prime Minister confirmed the appointment. I point out these matters in order to show that no impression can be formed that anything sinister has taken place, and that everything done was right and proper, and an independent audit made. The honorable member for Yarra has not told the Committee the real inner meaning of his proposal.

Mr. SAMPSON.—Will the Minister state in what way the agreement would be varied by authorizing the Auditor-General to make the same investigation into these accounts as he does into Government accounts generally?

Mr. GROOM.—It is not necessary in this case.

Mr. SAMPSON.—How will it affect the agreement?

Mr. GROOM.—The operations of all the activities mentioned in this Bill—the Butter Pool, the Central Wheat Board, the Central Wool Committee, and the Flax Committee—are subject to audit by the Auditor-General, but this particular transaction is outside the ordinary course of the Auditor-General's work.

Mr. MAHONY.—Why?

Mr. GROOM.—It is an agreement under which the Commonwealth and the other parties to the contract share the profits, and the parties agree that a certain person shall be the auditor to audit and certify the accounts between them. For some reason or other, certain honorable members want to tear up this agreement and put something in its place. I have given honorable members the assurance that, in future agreements, it can be stipulated that the Auditor-General, or some person appointed by him, shall conduct the audit.

Mr. WEST.—The Government will be out of office then.

Mr. GROOM.—Then, if the honorable member is in my place, he can do it, so no harm can arise.

Mr. GREENE.—If you did that, the probabilities are that exactly the same men would be doing the work.

Mr. GROOM.—That is quite possible. I would impress upon honorable members that this Wool Committee was constituted for the management of an enormous task. Every one admits that its members have brought to bear very fine judgment, and have produced excellent results for the Commonwealth. All, or most of them, are business men who know their work, and the agreement is a proper business agreement that any one would be justified in making, and in providing for an independent audit in this way. I, therefore, ask honorable members to stand by the Bill as it is now, because it gives sufficient protection, and, above all things, to reject a comprehensive amendment which is evidently tabled in the hope of catching somebody from this side.

Mr. WEST [East Sydney] (12.19).—I cannot understand why the Acting Leader of the Government has put so much vim into the endeavour to get the Committee to reject the amendment. His suggestion, that these gentlemen have shown their ability by electing their own auditors, reminds me of the Yankee who said he did not care what the electoral laws were so long as he was appointed presiding officer. I always understood that the duties of the Auditor-General included the supervision of all transactions in which the Government were interested. If it is not so, previous Parliaments and Governments have made a great error. We all know that the gentleman who has been named is an estimable citizen, and I have nothing to say against him as an individual. He is a keen business fellow, but he is also an earnest worker on behalf of the Liberal party, and never loses an opportunity to support those who are opposed to us in politics. How can an outside auditor, appointed by these public companies to act for them, serve two masters? How can he serve the Government and the companies with whom he is in daily connexion? The Committee ought to be pleased with the honorable member for Capricornia (Mr. Higgs) for moving the amendment. If we had ordinary government, where vested interests did not so predominate, the Ministry would welcome the action of the Opposition in this matter, because it would give them the opportunity to see that the accounts were supervised in the interests of the general public. On a

cursory view, the ordinary citizen would be apt to conclude that there must be something behind the anxiety that has been shown to retain the present system of audit. Why is the Minister so concerned? He spoke longer on this clause than I have known any other Minister to take on any clause of a Bill going through Committee. He has employed all his legal talent and all the ability he possesses, if he has any, to prove to the Committee that the supervision of these accounts should not be handed over to the Auditor-General, who is the representative of the people of Australia, and, so far as the accounts of the Public Departments are concerned, stands actually above Ministers. If the Auditor-General is not called in, what safeguard has Parliament got? I remember the time when the State Parliament had no Auditor-General, but when the first Commonwealth Government was formed, one of its first acts was to appoint an Auditor-General. That officer is necessary to watch the operations of these friendly gentlemen who, the Minister says, are such keen business fellows. If I had transactions with the Government, I should like always to appoint my own auditor. I guarantee that he would be more favorable to me than to the other side. If he did not do the business just as I wanted it done, I would not keep him. This auditor is the paid servant of these people, and the man in your pay performs the duties you want him to perform. I am sure that when the time comes to go through the accounts of the various Boards that the Government have appointed, and that have been operating during the war period, two or three auditors-general will be required. So long as I am a member of this House, I shall always insist that no accounts involving any charge upon the Treasury of the Commonwealth be allowed to pass unless the Auditor-General is satisfied that they are correct. Otherwise, what is the good of having an Auditor-General? He should supervise the accounts, not only of all Government Departments, but also of all public utilities in which the Government is interested. If the allegation is that the Auditor-General is incapable, and that these outside business gentlemen have greater abilities, why does not the Minister tell us so? Why should the interests of outside people be conserved instead of the interests of the people generally? There must be something hidden, or why the anxiety displayed by the Government here this morning? To my mind there is something being covered up. It may be because the honorable member for Capricornia (Mr. Higgs) has been persistent in asking a number of ugly questions of the Government regarding a particular company. If that is the reason, why did not the Minister say so, and ask some other member to move for the appointment of the Auditor-General to supervise these accounts? The Minister should have the courage to tell us if that is the reason of his objection to the amendment. I do not believe the honorable member for Capricornia has any other motive than to conserve the interests of the people of Australia. He is actuated by the best motives and intentions to secure the proper supervision of all accounts or expenditure in which the Government and the Commonwealth are concerned. There is a feeling in the public mind that we have not received a sufficient return for a great deal of the money that has been poured out during the war. It is our duty to satisfy the public that that is not the case, and we cannot do it better than by arranging for the supervision of all accounts by the Auditor-General. The Acting Leader of the Government (Mr. Groom) has put some supposititious cases. I did not think that any Minister leading this National Parliament would sink to such a depth as the honorable gentleman sank to in making the comparisons he made this morning and suggesting the possibilities that would arise through the Auditor-General going through these accounts. I am only a humble representative of the people, and have never had the experience of being a Minister of the Crown; but I would never allow such a petty thought as the excuse put forward by the Minister to run through my mind. If the public generally could only learn of the struggle being waged in this House to persuade the Government to give the Auditor-General a free hand, we would

have overwhelming sympathy behind our efforts. If the Government cannot be forced to accept the amendment, then honorable members on this side should not be blamed if the people look upon the Federal Parliament as a decayed institution. The Auditor-General is one of the most important officers in the Public Service. In the matter of finance, and generally having to do with the expenditure of national money, there is no one in the land above that official. Not one penny of the public's money should be expended until and unless the Auditor-General is satisfied that the people will get full value for the outlay. It is a mystery to me why the Government should not accept the amendment. The question whether Mr. Allard may or may not have done his duty satisfactorily is altogether beside the mark. That individual, no doubt, is a friend of the vested interests; and I am bound to say that if I have a friend I make it my duty to try and keep him out of difficulties. But it is the Auditor-General who should be doing the work in his capacity as the friend of the people. Before the appointment of an Auditor-General in New South Wales, they used to buy wooden spoons out of loan funds. When an official was appointed to the Auditor-Generalship, he was able to bring to light quite a lot of those little dealings. Human nature has not altered since those days in Sydney, and the greatest safeguard which the public could possibly establish is that of proper supervision. The only way to keep our national accounts correct is to eliminate every opportunity for them to become incorrect. We have an Auditor-General who is above reproach, and I plead with the Government to accept the proposal to give him the desired supervision.

Mr. FLEMING (Robertson) [12.40].—The honorable member who has just addressed the Committee (Mr. West) holds that the amendment should be accepted because otherwise the Government would be accused of endeavouring to cover up some transactions which should be open to the light. The suggestion is that there is crooked work going on under the cover of these Pools. At first sight one might be inclined to support the amendment, but I draw attention to two statements of the Auditor-General himself concerning this matter. The Auditor-General, having considered the business of the wool tops, made the following memorandum:—

> From many points of view this business is in a most indefinite and unsatisfactory position.
>
> Under the agreement between the Wool Tops Companies and the Government, the audit of the business of the Wool Tops Companies is to be conducted by an auditor nominated by the Commonwealth Government. Mr. Allard, of Sydney, was appointed by the Central Wool Committee as the auditor, the nomination by the Chairman of the Central Wool Committee being made on behalf of the Commonwealth Government (see clause 16 of the agreement).
>
> Correspondence has taken place between the Auditor-General and the Treasury in regard to the business of the companies concerned. The Auditor-General states that an outside auditor, not acting under his authority in cases where Commonwealth moneys are involved, is not approved by him.
>
> Under the agreements large sums will be payable to the Commonwealth, and the Treasurer expresses the opinion that it is the duty of the Auditor-General to make the audits. The Treasurer also suggested that Mr. Allard might be appointed by the Auditor-General to act as his deputy. . . .

There the Auditor-General complains that the authority to audit those accounts is being taken away from him; and if that had been so I would have been prepared to vote against the Government upon the amendment. But let us examine another statement, as presented by Mr. C. J. Cerutty, Assistant Secretary to the Department of the Treasury, on the manufacture of wool tops—

> On the 6th November last the late Treasurer addressed to the Prime Minister a letter dealing with the audit of accounts of the firms who are manufacturing wool tops. A letter has now been received from the Auditor-General, in which he states he is prepared to formally appoint Mr. George Mason Allard to act on his behalf in making audits.

The Auditor-General himself has approved of the very man to whom he objected earlier. He asks that that party shall be appointed. The auditor concerned is appointed, and then the Auditor-General complains, and states that he is not being given a fair deal. The state-

ment from which I have just quoted proceeds—

Mr. Allard would also be required to certify to statements, and prepare reports for the Auditor-General.

The Auditor-General considers that the alternative course, namely, for one of the Audit Office staff to make inspections from time to time, would be inadvisable.

The Treasurer concurs in the appointment of Mr. Allard as suggested, if no objection is raised by the Central Wool Committee or by your Department.

The Auditor-General, whether wittingly or not, has placed the Government and its supporters in an absolutely false position; and members of the Opposition are trying to take advantage of it.

Mr. Riley.—What have we to gain by it?

Mr. FLEMING.—I do not know. I do not say that the Opposition are proposing anything which might be deemed at all doubtful; but the course adopted by honorable members opposite, if it be based upon the second report of the Auditor-General, becomes a false one, for the simple reason that the procedure taken is that which the Auditor-General himself laid down as proper. The attitude adopted by members of the Opposition is not honest, because one of its members, the honorable member for Maribyrnong (Mr. Fenton), stated a few minutes ago that he would break any agreement. One would think that we were back again in pre-war days. If an agreement is made by the Commonwealth, whether it be to the benefit or the detriment of the Commonwealth, surely the Federal Parliament is honest enough to live up to such an agreement. I cannot understand how any man with morals of that sort is able to retain a seat in this House. Are we not to be men of our word? Are we to calmly advocate the breaking of a contract or agreement solemnly entered into by the Government merely because it is believed to be operating in some way against them? To advance such an argument is to reduce ourselves to the level of the Hun. Our men went overseas to fight the Germans because of an agreement which they broke, and which they spoke of as "a scrap of paper."

Mr. Riley.—Cut it out. What has that to do with the Wool Committee?

Mr. FLEMING.—What is to be our position if the violation of agreements in this way is to be advocated. The honorable member for Maribyrnong has deliberately recommended that the Commonwealth should break an agreement into which it has entered. The whole position put here this morning is absolutely false. I rose simply to place these two statements by the Auditor-General in juxtaposition, so that the people might be able to see for themselves what methods are being adopted by the Opposition to destroy the Government.

Mr. MAHONY (Dalley) [12.47].—I fail to understand why the Government should object to power being given to the Auditor-General to investigate all these matters. If, as the Acting Attorney-General (Mr. Groom) has said, everything is clear and above-board, why should there be any objection to this amendment? Everything, probably, is quite all right. I do not for one moment cast any doubt upon the Acting Attorney-General's statement that the position in this connexion is quite satisfactory, but the Audit Act provides that the Auditor-General shall investigate and report upon all transactions and accounts of the Commonwealth Government. Here we have an agreement entered into by the Central Wool Committee with certain firms to carry on the manufacture of wool tops. That Committee is merely exercising one of the functions of the Commonwealth Government under the jurisdiction of this Parliament, yet its operations are not to be investigated by the Auditor-General. Such a position cannot stand. The Acting Attorney-General has attempted to justify his opposition to our proposal by pointing out that Mr. Allard has been selected by the parties concerned to audit the accounts. I do not think that the honorable gentleman informed the Committee that Mr. Allard's fees are being paid by the particular companies interested in this contract, and that the Government have no control over him. While everything connected with this agreement may be quite above-board, if we allow the principle to creep in that the Auditor-General is not

to examine the accounts relating to such transactions, we may say good-bye to the confidence of the people in the administration of the affairs of the country. The Auditor-General himself desires to make this audit, and the very fact that he has expressed a desire to do so should be sufficient to induce the Government to give him the necessary authority. The late Lord Forrest, when Treasurer of the Commonwealth, also desired that these accounts should be examined by the Auditor-General, but the only answer we receive to our request is that the parties concerned have agreed upon the employment of an outside auditor. Such an investigation is not a sufficient security for the Commonwealth. We should demand that our own Auditor-General, who is above suspicion, reliable, and independent, and who is beyond the power of any private company, should carry out this work. He has not to depend upon any private company for his means of livelihood.

Mr. HIGGS. — Who ever heard of a Government fighting its own Auditor-General?

Mr. MAHONY.—That is a very pertinent question.

Mr. GROOM. — We are not doing so, and the honorable member knows that.

Mr. MAHONY.—It is strange that the Government should object to an investigation of the accounts relating to these agreements by their own Auditor-General. The public may place a sinister construction upon the attitude of the Ministry. I would not dream of imputing unworthy motives to them, but there is a danger of the people doing so.

Mr. HIGGS.—Why was the Auditor-General not allowed to audit the accounts in connexion with the Wheat Committee in New South Wales? Look at the scandal there.

Mr. MAHONY.—That scandal might have been avoided if the Auditor-General had possessed the power which we desire to give him in this case. The wool tops agreement may be quite all right, but the attitude now taken up by the Government is calculated to leave a doubt in the minds of the people. For the sake of the fair name of the Commonwealth we demand that the Auditor-General shall investigate the whole of these matters.

Mr. HIGGS.—Does the honorable member know that Mr. Allard himself does not audit these accounts, but employs a clerk to do so?

Mr. MAHONY.—In all probability that is so. Mr. Allard stands very high in his profession, but we must remember that he has to depend for his living upon the work given him by private firms. The whole of the accounts of the Committees appointed by the Government to deal with shipping, wool, sugar, and navy matters should be subject to the scrutiny of the Auditor-General.

Mr. HIGGS.—Why is the Auditor-General allowed to audit the accounts relating to the Government's sugar transactions and not the accounts relating to the wool top deal?

Mr. MAHONY.—I do not know why such a distinction should be drawn.

Mr. HIGGS.—The Colonial Sugar Refining Company has never objected to the Auditor-General auditing its accounts.

Mr. MAHONY. — That materially strengthens our claim in this case.

Mr. HIGGS.—This refusal is an insult to the memory of the late Lord Forrest.

Mr. MAHONY.—Quite so. The Government are refusing to carry out the proposal made by him, that the Auditor-General should be empowered to investigate these matters. The action of the late Lord Forrest in demanding that such an audit should be made was that of an honorable man, who believed that he should hold himself above suspicion. If the Government desire to be above suspicion, they should follow on the same lines.

Sitting suspended from 1 to 2.15 p.m.

Mr. HIGGS.—I call attention to the state of the Committee. [*Quorum formed.*]

Mr. MAHONY.—I have said that the people must lose confidence in the administration of public affairs if the whole of the financial operations of the Government are not open to the fullest inspection by the Auditor-General. This Parliament in its wisdom enacted legislation providing for an audit of the financial operations of the Government, but it would appear that the Central Wool Committee, by the action of its Chairman,

may place itself beyond the operations of the Statute. The Central Wool Committee is composed of a number of gentlemen of great business knowledge and experience, who have made their mark in the commercial life of Australia, and are reputed to be men of honour. I wish to know whether these honorable men approve of the action of their Chairman in setting at defiance, first of all, the expressed wish of an ex-Treasurer of the Commonwealth, the late Lord Forrest, and, secondly, the expressed desire of the Auditor-General that he should have the right to thoroughly investigate all these matters? Surely these gentlemen could not have known that the late Lord Forrest made a direct request that the Auditor-General should have this right, and that the Auditor-General had directly asked for the authority to examine these agreements. The honorable member for Grampians (Mr. Jowett) is a member of the Central Wool Committee. He is a man of great business experience, and is reputed to be a millionaire, as the result of the honorable conduct of his business. Was he consulted on this matter as a member of the Central Wool Committee? Did he agree that the direct request of the Auditor-General should be refused, and that a private auditor, beyond the control of the Government of this country, should have the auditing of these agreements intrusted to him? I am sure that the honorable member for Grampians did not build up his successful business on such lines. He would scout the idea of having any one over whom he had no control dealing with his private financial affairs.

The honorable member for Hume (Mr. Falkiner) is also a member of the Central Wool Committee, and a man of great business experience. He is also reputed to be a millionaire. He has been engaged in commercial pursuits, and is a director of the Bank of New South Wales. Does he agree that a private auditor should supersede the Auditor-General of the Commonwealth? If I asked him whether the authorities of the bank of which he is a director would allow some one over whom they had no control to audit their affairs, I am sure that his answer would be that they would not think of agreeing to any such thing. I am sure that the honorable member, if present, would vote against the Government in this matter, and would be found supporting the amendment submitted by the honorable member for Capricornia (Mr. Higgs). Other members of the Central Wool Committee are Mr. Walter James Young, Mr. Andrew Howard Moore, Mr. W. S. Frazer, Mr. Burdett Laycock, and Mr. Robert Bond McComas. Did Sir John Higgins consult these gentlemen, and ask them whether they were prepared to set aside the Auditor-General of the Commonwealth, and put in his place a private auditor? I feel sure that if they had been consulted they would not have agreed to the adoption of such a course, and if they were members of this House they would be ranged behind the honorable member for Capricornia. Perhaps the honorable member for Grampians will say whether he agrees to the appointment of Mr. Allard in this matter, and whether the Auditor-General should be superseded.

Mr. Jowett.—Most certainly I do agree to the appointment of Mr. Allard.

Mr. MAHONY.—I ask the honorable member whether the chairman of the Central Wool Committee consulted him in reference to the appointment of Mr. Allard?

Mr. Tudor.—The honorable member will not answer that question.

Mr. MAHONY.—That only bears out my statement concerning the honorable member. He refuses to tell an untruth. It is quite obvious, from the honorable member's attitude, that it was Sir John Higgins, and not the Central Wool Committee, who made this appointment, and that the members of the Central Wool Committee were never consulted about it.

Mr. Jowett.—Do not say that.

Mr. MAHONY.—I asked the question plainly, and the honorable member, being a truthful man, and loyal to a comrade, refuses to say anything against the Chairman of the Wool Committee. It must be quite clear to honorable members that Sir John Higgins did this thing off his own bat. Have the affairs of this country

come to such a pass that Sir John Higgins, no matter how honorable a man he may be personally, may override the laws of this country and set himself beyond this Parliament. No matter what this gentleman may be as a private citizen, no matter how honorable, it is time he was plainly told that Parliament, and not he, is the supreme authority, in Australia. It would be just as well, perhaps, to glance at the Audit Act, 1901-19, which sets out that it is—

> An Act to make provision for the Collection and Payment of the Public Moneys, the Audit of the Public Accounts, and the Protection and Recovery of Public Property, and for other purposes.

Thus the intentions of the Act are set out clearly; and why should those intentions be put on one side? As to the position of the Auditor-General, section 5 of the Act says—

> (1) The Auditor-General shall not, during his continuance in such office, be capable of being a member of the Executive Council of the Commonwealth, or of any State thereof, or of either House of the Parliament of the Commonwealth, or of any State thereof.
>
> (2) The Auditor-General shall be deemed to have vacated his office—
>
> (a) if he directly or indirectly engages in any paid employment outside the duties of his office, or in any trade or business except as a member of any registered company; . . .

Why were these provisions passed? To insure the free and untrammelled services of a competent Auditor-General, beyond any outside or private influences; in short, a man in whose reports the public could have perfect confidence.

The CHAIRMAN.—The honorable member has exhausted his time.

Mr. HECTOR LAMOND (Illawarra) [2.35].—I should like the guidance of the Chair on a matter of procedure. I have an amendment on the notice-paper affecting the schedule, and the clause before us appears to adopt the regulations attached to the Bill. I desire to know whether, if the clause be carried as it stands, I shall have an opportunity to move an amendment in the regulations when we reach them?

The CHAIRMAN (**Hon. J. M. Chanter**).—When we reach the schedule it will be competent for the honorable member to move an amendment, and if the schedule is altered, then the Committee may alter the clause in conformity therewith.

Mr. GREGORY (Dampier) [2.40].—I do not know whether the object of the Opposition is to "stone-wall" the Bill. I myself support the amendment, but I cannot follow the arguments of some honorable members opposite who also support it. Never for a moment could I identify myself with the statements made this morning to the effect that a private auditor can hardly be expected to bring in a report against a company, because, if he does so, he may lose other business. Those in the profession, as a rule, are gentlemen of high integrity, and there should be no reflection on that profession generally, or on Mr. Allard in particular, who, moreover, is approved by the Auditor-General. In my opinion, a 'red herring" is being drawn across the trail. There is no objection in any shape or form to Mr. Allard; the question is—and here, I think, I speak for the mover of the amendment—whether the auditor shall be under the control of Sir John Higgins or under the control of the Auditor-General.

Mr. HIGGS.—That is the whole point.

Mr. GREGORY.—The question is, whether Mr. Allard, as to whose integrity every one is satisfied, shall receive his instructions from the Auditor-General or from Sir John Higgins, and it is for the House to determine.

Mr. ARCHIBALD.—What about the contracts?

Mr. GREGORY.—The contracts provide that there shall be an auditor approved by the Commonwealth, and here we have the Prime Minister and Sir John Higgins acting contrary to the wishes of an ex-Treasurer (the late Lord Forrest) and the Auditor-General. As I pointed out last night, the Commonwealth are partners in this agreement with the Colonial Combing, Spinning, and Weaving Company.

Mr. SAMPSON.—Would an auditor of any status accept instructions from anybody in the conduct of an audit?

Mr. GREGORY.—Most decidedly. This is one of the most extraordinary agreements that I ever saw, bristling as

it does with impertinences so far as this House is concerned. We find Sir John Higgins putting himself above and beyond this Parliament. We passed a War-time Profits Act providing that firms shall pay to the Crown 50 per cent. and 75 per cent. of excess profits. We might have made the proportion 90 per cent., or even 100 per cent.; but according to the Agreement—

> If the earnings of the company in any accounting period during the continuance of the agreement shall become taxable under any special taxation imposed by the Parliament of the Commonwealth on profits earned in war time, then the Commonwealth Government shall refund to the company an amount equal to one-half of the war-time profits tax which shall be payable.

In any case, under this agreement, we become partners, and it is only right that in every matter pertaining to it the supervision should be under the control of the Auditor-General.

Mr. MCWILLIAMS.—What is the objection to the Auditor-General?

Mr. GREGORY.—I cannot understand, except that the Prime Minister approved of this auditor, who was nominated, I assume, by Sir John Higgins, thus nullifying the wishes of the Auditor-General.

Mr. HECTOR LAMOND.—There never was a request that the Auditor-General should do the auditing. He was not prepared to do the work himself; he only wants to boss some one else in the doing of it.

Mr. GREGORY.—This Parliament is losing, indeed it has lost, absolute control of the finances of the country.

Mr. JOWETT.—The trouble is that Parliament has lost control of itself, and it is unequal to the job.

Mr. GREGORY.—Quite so; and I feel quite sure that the public will show us in the near future that they appreciate the fact.

Mr. LAIRD SMITH.—Then why does the honorable member support the Government? Why does he hang on to us like a barnacle?

Mr. GREGORY.—The honorable member need not be afraid of my hanging on to him or his politics.

Mr. LAIRD SMITH.—I shifted across here of my own free will. If I thought like you, I would not remain here.

Mr. GREGORY.—The honorable member, perhaps, is in the habit of "shifting across," but I sit here to advocate a fixed policy, and I shall follow it. The honorable member knows how extreme are the views of some honorable members opposite, and I know he would go far for the purpose of placating them. I have no desire myself to placate those who sit in opposition, and I am here to fight for Parliament having control of the public finances. Only this morning we read in the newspapers of an enormous purchase of shipping. This purchase may, or may not, be in the best interests of the country, but there is no reason, particularly when Parliament is sitting, why such a transaction should not first be approved by us. We ought to see that we do not forfeit our rights in connexion with matters of that sort, and, in the case immediately under discussion, we should insist on the supremacy of the Auditor-General.

The Minister in charge of the Bill has told us that the Auditor-General does audit the accounts generally, and if we look at the Butter Pool regulations we see that he is specially instructed to do so.

Mr. GROOM.—And in the case of the Wool Committee exactly the same thing is done. If the honorable member has any qualms, I am quite ready to have regulations prepared in the same terms in this case.

Mr. GREGORY.—Evidently the Minister generally approves of what I am saying, but his hands are tied by previous instructions. This agreement has been made, but as it has come before us I think we are quite justified in discussing its terms. It should have been insisted in the first instance that the audit must be under the Auditor-General, and, while I am sure none of us has any desire to reflect on the auditor who has been appointed, it is undeniable that his instructions should come direct from the Auditor-General, and the Committee should insist on that procedure being adopted.

Dr. MALONEY (Melbourne) [2.43].—This clause opens up a question which has often been before the House, mainly at the instance of the honorable member for Capricornia (Mr. Higgs). I agree with the honorable member for Dampier (Mr. Gregory) in his reference to Mr. Allard; but if I had to appoint an auditor in my own interests, I should see that no one but myself paid him for his services. The speech of the Minister in charge of the Bill (Mr. Groom) was a hide-it, cover-it-up, camouflage speech; and I use those terms in their strongest sense. When I asked the honorable gentleman who paid the auditor, he was conveniently deaf; but I say that he would not dare face an election, either here or in Sydney, on the question of who should be trusted in such a matter—an outside auditor paid by an outside body, or our Auditor-General, Mr. Israel. If the Auditor-General is not to be more depended on than an outside man, any member who thinks so should take steps to have him removed from his position; but I do not think any one in the House would dare to impugn Mr. Israel or his Department. The Acting Attorney-General would not dare to fight an election in Melbourne or Sydney when advocating that a private accountant and not the Auditor-General should have the supervision of transactions in which Commonwealth money was involved. The people know that there is so much bribery, corruption, and fraud existing at the present time that the Minister, even with the aid of a powerful press, would be in a hopeless position. Every person who has experienced that the purchasing power of the sovereign has decreased during the last few years to 12s. 6d., knows the truth of what I have stated. Why will not the Government allow these transactions to be controlled by our duly appointed officer, who is independent of the Government; and, while he is in the right, independent of even this Parliament. No one knows better than the honorable member for Fawkner (Mr. Maxwell) that the criminal records of Victoria, following the bursting of the land boom, are full of fraudulent balance-sheets that had not been properly audited. Most magnificent balance-sheets were produced, but they represented nothing but fraud and flam. One man failed for the sum of £1,500,000, and offered a composition of ¼d. in the £1, which was never paid. A member of the Victorian Parliament at that time, when speaking of a particular balance-sheet, said, "Everything looks lovely. There is a splendid credit balance and fine dividends on paper, but where is the ——— money?" Paragraph 10 of the agreement made between the Commonwealth Government and Whiddon Brothers Limited, of Sydney, reads—

> All books, vouchers, and documents in the possession or under the control of the company, and relating to the purchase, manufacture, and/or sale of the sheepskins, wool and wool tops referred to in these presents shall be produced to an auditor nominated by the Commonwealth Government for that purpose——

Mr. JOWETT.—That was Mr. Allard.

Dr. MALONEY.—I presume so—

> Such auditor shall be a properly qualified public accountant, and the cost of the audit shall be borne by the company, and shall be included in the expenses referred to in clause 6 hereof.

The man who pays the piper has the right to call the tune, and if there is anything to hide it is well to be the person who is paying the piper. That was proved incontestibly in the terrible land boom crash. Honorable members cannot gainsay that there is a widespread feeling among the people that they are being wronged. Let honorable members opposite go upon the platform and say that there is no profiteering.

Mr. SAMPSON.—We have not said that.

Dr. MALONEY.—I admit that honorable members on the Government side have not said so, but some have asked, "Where are the profiteers?" If the Government recognise that there is profiteering, why are they not fighting the evil as it is being fought in other countries? Do they wish to force the people into revolt? We are nearer to that sort of trouble than some honorable members think. The one thing that is holding the people in check is that they are determined not to be confronted by machine guns. The Government or who-

ever says there is no profiteering may have to face that fate. Before the Royal Commission, in Sydney, Mr. Darling said that the Georgeson agreement was made either by a rogue or a fool. Afterwards, under cross-examination, he withdrew the word "rogue"; but the fact remains that 6,000,000 bushels of wheat is said to have been lost, and much of it has been stolen. I cannot understand why any honorable member should vote in favour of having a public accountant to audit transactions in which Commonwealth funds are involved in preference to an audit by the Commonwealth Auditor-General. The Government have a great opportunity to do what is right. We have not yet touched the first penny of the last shilling that was promised by a former Government to win the war, but 80 per cent. of the eligible fighting men were sent out of the country. What are we doing to safeguard the people's money? Will any honorable member say that in respect of wheat, wool, or sugar all that should have been done has been done? Both parties in this House are to blame; but I shall never forget the breach of the pledge made by the Prime Minister (Mr. Hughes), that the civil law would always be superior to the military law. For one purpose only I would like to continue the War Precautions Act, namely, to control the prices of the people's food. It is our duty to safeguard the finances, and see that the people are not robbed as they have been robbed too freely in the past.

Mr. BLAKELEY (Darling) [2.59].—We have increasing evidence of the great necessity for a close scrutiny of all contracts in which the Commonwealth or the States are interested. The Commonwealth is directly involved in the transactions of the Central Wool Committee, and this Parliament must accept responsibility for anything done by that Committee under the powers conferred by this Bill. We know that, owing to lax methods of audit and faulty surveillance of the operations of the Wheat Pool, especially in New South Wales, there is such utter chaos that for two and a half years a staff of accountants has been trying to trace the 1915-16 crop, and if they were there for two years and a half more they would not have the slightest hope of tracing that crop, simply because of the lax methods employed in dealing with the matter from the commencement. After the muddle had been properly established the authorities hurriedly got together an army of accountants to get them out of it. I am yet to be convinced that the Central Wool Committee will not get into the same kind of muddle that has characterized the Wheat Board, particularly in New South Wales.

Mr. Rodgers.—The Central Wool Committee is composed of men who understand their business.

Mr. BLAKELEY.—I shall quote two instances proving how necessary it is to utilize the services of the Auditor-General to enable this Parliament to know how the Central Wool Committee and the State Wool Committees are operating. Every honorable member has received from John Bridge and Company a pamphlet referring to an arrangement which was entered into between that firm and the Central Wool Committee, by which the firm was to put up a dumping plant for double-dumping wool bales. They were to be paid 3s. per bale by the ship-owners. However, because certain high officials on the Wool Committee and the Shipping Administration had shares in a lightering and wool-dumping proposition——

Mr. Jowett.—They were not officials of the Central Wool Committee.

Mr. BLAKELEY.—They were on the Shipping Administration. At any rate, one high official on the Shipping Administration held 1,600 shares in a lightering and wool-dumping proposition, and the people with whom he was associated were able to hang up seven ships in Sydney Harbor, and prevent them from being loaded, simply because his friends and his firm were not allowed to do the dumping owing to the arrangement which was entered into between the Central Wool Committee and John Bridge and Company. That shows the urgent necessity for investigation by the Auditor-General.

Mr. Rodgers.—Not those facts. They show just the opposite.

Mr. BLAKELEY. — My honorable friend probably does not understand the position.

Mr. JOWETT.—Yes; he understands it thoroughly.

Mr. BLAKELEY.—Agreements were entered into by the Central Wool Committee with this particular firm.

Mr. JOWETT.—Has the honorable member seen those agreements?

Mr. BLAKELEY.—No. I am relying on a most interesting circular which was sent to every honorable member of the House by John Bridge and Company. Does the honorable member say that no agreement exists?

Mr. JOWETT.—I think that is the position. There is no agreement between John Bridge and Company and the Central Wool Committee.

Mr. BLAKELEY.—Sir John Higgins said that there was an agreement, and he adhered to it, even at the risk of making enemies in New South Wales. If there was no agreement, why did he go out of his way to carry out something that was not in existence, and give that particular firm the wool which he had promised to provide for it? Surely the honorable member for Grampians (Mr. Jowett) is not in earnest when he says there was no agreement?

Mr. JOWETT.—I do not think that there was any agreement.

Mr. BLAKELEY. — The honorable member knows nothing about the matter. Evidently he does not know what the Central Wool Committee are doing.

Mr. JOWETT.—Can the honorable member bring forward proof that there was an agreement?

Mr. BLAKELEY.—Sir John Higgins thought it was an agreement, and he carried it out.

Mr. JOWETT.—That is only the honorable member's *ex parte* statement.

Mr. BLAKELEY.—I challenge the honorable member to tell the truth about the matter. I am quite convinced as to the facts. The honorable member evidently knew nothing about them until John Bridge and Company's pamphlet reached him.

Mr. JOWETT.—At any rate, all this has nothing to do with the amendment before the Committee.

Mr. BLAKELEY.—That is one way for the honorable member to evade his responsibility.

Mr. JOWETT.—I am not evading any responsibility. The honorable member is making statements which are absolutely unwarranted.

Mr. BLAKELEY.—Has the Central Wool Committee taken any step with regard to this pamphlet? The statements in it are true or untrue. If they are true they are a reflection on the administration of the Central Wool Committee, of which the honorable member is a member.

Mr. JOWETT.—They do not reflect in the slightest degree on the Central Wool Committee.

Mr. BLAKELEY.—They do, because they show that the Committee cannot control the New South Wales portion of its operations, and that it has allowed members of the State Committee to become merely the creatures of the wool-brokers of that State.

Mr. JOWETT.—That is another absolutely unfounded statement.

Mr. BLAKELEY.—Seven ships were laid up in Sydney Harbor because John Bridge and Company dumped certain wool which the shipping firms, evidently acting on instructions from the Shipping Administration, refused to take. Can the honorable member deny that statement?

Mr. JOWETT.—I do not deny it.

Mr. BLAKELEY.—Can we imagine a more deplorable position? Seven ships laid up because of the machinations of certain people!

Mr. JOWETT.—But it was not owing to anything done by the Central Wool Committee or the State Committee.

Mr. BLAKELEY.—The Central Wool Committee should have taken cognisance of the trouble.

Mr. JOWETT.—Did they not do so?

Mr. BLAKELEY.—Only after the vessels had gone.

Mr. Jowett.—The honorable member knows nothing whatever about the matter.

Mr. BLAKELEY.—If it had not been for Sir John Higgins the agreement which the honorable member says does not exist would not have been carried out.

Mr. Jowett.—He did everything that was right and proper in the circumstances.

Mr. BLAKELEY.—He did. He carried out an agreement which, according to the honorable member, was not in existence.

Mr. Jowett.—There is no evidence that there was any such agreement.

Mr. BLAKELEY.—Then what did he carry out?

Mr. Jowett.—If there was no agreement, how could he carry it out?

Mr. BLAKELEY.—Certain wool was conveyed from the wool stores to the dumping appliances of the Darling Island Stevedoring Company. It was dumped there and brought back again. The charge for conveying the wool was 6½d. per bale each way. Evidently the wool was carried for the profit of certain interested individuals in Sydney. This matter of the dumping arrangements alone could have occupied the attention of the Attorney-General, and I venture to say that he would have brought down a report on it that would not have redounded to the credit of the gentlemen who were controlling the Pool in New South Wales.

Mr. Jowett.—There is nothing whatever to their discredit in regard to the matter. The honorable member is mixing up the Wool Committee with another body altogether.

Mr. BLAKELEY.—There is a regulation which provides that wool must be weighed within forty-eight hours of reaching its destination in or about Sydney. This is necessary, in order to prevent profit being made out of the increase in the weight of the wool by the accumulation of moisture. I am informed that wool has been known to increase in weight owing to the absorption of moisture by anything from 2 lbs. to 11 lbs. per bale. It appears that a firm was fined for not weighing its wool within the required period. In fact, some of the wool had been lying in store for two months, and, naturally, it increased in weight by 6 lbs. or 7 lbs. per bale, according to whether it was in the interior or on the exterior of the stack. I am further informed that a member of the firm which was fined £50 for the first offence was a member of the State Wool Committee. Evidently the offence was repeated, because it appears that the firm was subsequently fined £2,500.

Mr. Jowett.—The honorable member's information is entirely wrong.

Mr. BLAKELEY.—I am quite willing to be corrected, but if we had a report by the Auditor-General the information would be available to Parliament.

Mr. Jowett.—It would be available twelve months afterwards.

Mr. Higgs.—That is a great reflection on the Auditor-General.

Mr. Jowett.—If so, I apologize.

Mr. Higgs.—He ought to be given sufficient staff to do the work required of him. Then his reports would not be behindhand.

Mr. BLAKELEY.—This firm is alleged to have been fined £2,500 for the second offence.

Mr. Jowett.—Alleged? An untrue allegation!

Mr. BLAKELEY.—It was necessary for the firm to put up a bond of £2,500 before it could continue operations. A further bond of the same amount was also required of it, making a total bond of £5,000 the firm had to put up as a guarantee that it would be of good behaviour, and would act honestly by the growers of wool.

Mr. Riley.—Why was not that gentleman put off the Committee?

Mr. BLAKELEY.—A member of the firm is still a member of the State Wool Committee, and is likely to remain upon it. The information in regard to these matters is necessarily meagre, because there is no closer corporation in Australia than the Central Wool Committee, so far

as New South Wales is concerned; and the woolbrokers' ring in that State is having a very fine harvest. I want this matter thoroughly investigated by the Auditor-General. I have been endeavouring for a long time past to get information as to the operations of the State Wool Committee of New South Wales.

Mr. GIBSON.—Who is supposed to get the benefit of the increase in the weight of the wool?

Mr. BLAKELEY.—As the firm was fined, the honorable member should immediately come to the conclusion that it was getting a certain amount of cash as a result of the increased weight given to the wool.

Mr. GIBSON.—That is not possible in the case of a firm handling the wool.

Mr. BLAKELEY.—The greater the weight of the wool the more money the firm gets. If the Government are in earnest in working these Pools, and fully controlling the operations of the different Committees and Boards, they will accept the amendment. Apparently the only objection to it is that somebody might have to lose some of his dignity. No honorable member can say, even by the greatest stretch of imagination, that any principle is at stake. The amendment is *bonâ fide*. It asks that the proper authorities, who are the servants of the Commonwealth, shall have access to the books and report to this Parliament everything which, in their opinion, is not correct. Who should receive reports if not this Parliament? Surely the matter concerns this Parliament and the people. I hope the Minister will be reasonable, and not regard the amendment as hostile. It is not hostile. It sincerely asks that there shall be certain supervision over the different Boards and Pools. Several cases have cropped up of which we have knowledge, and in which there is evidence showing the clear necessity of such supervision.

Mr. FENTON (Maribyrnong) [3.18].—I am surprised that when such an important discussion is taking place those who know quite a number of the facts in connexion with the operations of the Central Wool Committee are absolutely dumb. I do not suggest that there is any sinister or ulterior motive in their silence, but it is remarkable that on previous occasions, on the slightest provocation, the honorable member for Grampians (Mr. Jowett) has sprung to his feet to defend the Wool Committee from A to Z. During this protracted discussion of some of the most important aspects of the operations of the Committee he has remained absolutely silent, but for a few exceptionally irrelevant interjections, made with a view to throwing off the track those who are trying to elicit the facts. I regret that the honorable member for Robertson (Mr. Fleming) is not here. He worked himself into a beautiful frenzy this morning over a mere nothing. When I saw him doing the "bashi-bazouk" dance that he usually does at the end of the table, and which always makes me think that the mace is in danger, it struck me that he often allows himself to be carried away by flights of imagination. Because I interjected when the Acting Attorney-General was speaking that any agreement detrimental to the people of the Commonwealth should be terminated, the honorable member became very excited. I repeat now, without equivocation or qualification, that if any agreement is made, either by Ministers or by those operating under Ministers, which is detrimental to the interests of the people of the Commonwealth, I shall take the first opportunity to smash it into smithereens. The idea of a man working himself into a fine frenzy, and talking about the German Kaiser tearing up a treaty as a scrap of paper, and asking, "What did we go to the other side of the world to fight for?" My experience of returned men, both those connected with my own family and others, has been that those who have done most on the other side have the least to say about what happened there. We do not want this continual humbugging and boasting from the other side whenever a man on this side makes a reasonable proposal. There are honorable agreements honorably entered into, and no sane man would think of abrogating them, but I want to place it on record that I will do my best to abrogate any agreement which is detrimental to the people of the Commonwealth. We have in this Parliament

repealed without compunction whole Statutes because we considered them inimical to the interests of the people. One of the first acts of the Fisher Government in the session of 1910 was to wipe out of existence a Naval Loan Bill, and substitute for it a policy with which the people of Australia were in accord then, and have been in accord ever since.

The Acting Attorney-General gave the whole show away this morning in his reply. He spoke in his usual persuasive way, and I believe that when the whip is cracked over there honorable members do somehow come to heel. The honorable member for Robertson (Mr. Fleming) came to heel, although previously he was almost bursting with indignation and trying to get to his feet to avocate an amendment which was on all-fours with what the honorable member for Capricornia (Mr. Higgs) has proposed.

Mr. Austin Chapman.—Who brought him to heel?

Mr. FENTON.—The Acting Attorney-General, and he brought a few more to heel also. There have been quite a number of whips at work trying to convert some of the irreconcilables on that side lest they should vote with the Opposition on this item. The Minister gave his case away by saying that he could assure members on the Government side that in any future arrangements the Auditor-General would have full access to all the papers and documents. What an admission for him to make! Honorable members can bet their bottom dollar, in view of the discussion which has taken place about many of the irregularities in connexion with these operations, that the Ministry and the Wool Committee will be much more careful in any future arrangements they enter into than they have been in some cases in the past. Under the Audit Act we always thought the Auditor-General had unlimited power. He has power superior to the Government of the day, and can insist upon doing certain things even against the unanimous expression of opinion of the Cabinet itself. He is supreme over Parliament and Ministers, and over everybody who has the handling of the finances of the Commonwealth. He has power to call for papers and to send officers even as far as London. He has officers in London now, and can go outside the Commonwealth in order to examine every possible item minutely. We are conducting pools which involve millions of money. It is true, as the honorable member for Dampier (Mr. Gregory) said recently, that the House is losing the control of the finances to a very large extent. Great schemes are indulged in involving the expenditure of millions of the taxpayers' money, and we are often involved in that expenditure without Parliament being consulted. In some cases I quite agree with what has been done, as, for instance, the first purchase of steamers by the Prime Minister. But if the Wool Committee is to be allowed to do what its own sweet will dictates, and this Parliament is to have no say, and if the same thing is to happen in connexion with the wheat, flax, and butter pools, a loophole is opened for practices which the House cannot afford to sanction. Matters have taken place in connexion with a branch of the Wheat Pool that are now before a tribunal in another State. Enough evidence has been taken to show that in a so-called well-conducted Pool there may be a leakage of millions of bushels of wheat. Where has that missing wheat gone? The Ministry should be the first to say that, to insure the protection of the people, it is absolutely essential to allow the Auditor-General to have oversight over all these operations. I am led to believe on very good authority that New South Wales is far behind Victoria in its company law. I understand that under the New South Wales Companies Act many practices can be indulged in that are not allowed in Victoria. The companies referred to by the honorable member for Capricornia (Mr. Higgs) have been formed under the New South Wales Companies Act. There may be a possibility under that Act of things being done similar to what took place in the disastrous boom times in Victoria. Because of the collapse after the boom we tightened up our company law. The Victorian Act now sets out in fair and square legal

terms exactly what a company director and a company auditor must and must not do. It is a difficult matter under the Victorian companies law for even an erring officer, where he is so inclined, to err. Many things are possible if a company is being carried on under a loose company law. Speeches from both sides of this chamber show that there is an air of suspicion abroad. We cannot dissipate it better than by providing that in all future contracts the Auditor-General shall have supervision over those conducting these concerns, and we should go further and apply the same principle to existing contracts and operations. The Auditor-General has to take an oath to the following effect, upon his assumption of office:—

> I do solemnly and sincerely promise and declare that according to the best of my skill and ability I will faithfully impartially and truly execute the office and perform the duties of Auditor-General (or as the case may be) according to law.

In section 71 of the Audit Act it is enacted that—

> The Governor-General may make regulations (not inconsistent with the provisions of this Act) for carrying out the provisions of this Act, and in particular for—
>
> (*a*) the collection, receipt, custody, issue, expenditure due, accounting for, care and management of all public moneys, and the guidance of all persons concerned therein;
>
> (*b*) the more effectual record, examination, inspection, and audit of all receipts and expenditure, and the keeping of all necessary books and accounts.

The Audit Act itself proclaims to the Government what are their duties in connexion with the Wool Pool. The Auditor-General is a greater custodian of the finances of the country than the Federal Treasurer. He is the policeman, or the detective, who must scrutinize all expenditure, so far as the Commonwealth is concerned. He has the power to arraign the highest in the land if anything of a crooked nature in connexion with the finances of the country should be disclosed. But here we are dealing with millions, and yet that official is not to be permitted supervision over the accounts. I know that there will be a spirit of amazement among the people when it is learned that such a reasonable and righteous request as is contained in the amendment has been declined by the Government and their supporters. The Government themselves, for self-protection, should see that operations are conducted in an absolutely honest and straightforward manner. They should give to the Auditor-General power to scrutinize all such matters.

Honorable members have just received a return having to do with the approximate receipts and expenditure of the Commonwealth for the financial year just closed. Why is the item of sugar included in a public balance-sheet such as that? Are the receipts from the Wool Pool, and the other pools, lost in those big amounts which total, for the year 1917-18, more than a million of money, under the head of Miscellaneous, and, for the past year, a sum of £863,000? There is an amount in relation to the two companies which was to come to the Commonwealth Government totalling £250,000 sterling. I know that litigation is in progress with respect to some of the items comprised within that total. I shall not proceed further in that direction, therefore. Surely the Auditor-General should have something to say as to how that money has been made. At any rate, he should be permitted to scrutinize the books and accounts, and to ascertain whether the Commonwealth has been getting a fair deal. If it were only the matter of a 10s.-note, the Auditor should have power to discover whether the money was going rightly or wrongly into the public or into a private purse. If he were to discover anything wrong, even in relation to such a small amount as that, there would be ample justification for his inspection of the interests involved.

Looking at the matter from a political point of view, a decidedly retrograde step has been made by the refusal of the Government to accept the amendment. Honorable members on this side are championing public financial morality. I do not intend to lay charges, but honorable members may go into wool houses in Melbourne and hear what business men have to say regarding the operations of the Wool Committee and its unjust methods and dealings. They will be told sufficient for them to demand the appointment of a Royal Commission in order to show ex-

actly what the true position is. During the week I have been in the company of men who know as much as, if not more than, either the honorable member for Hume (Mr. Falkiner), or the honorable member for Grampians (Mr. Jowett), about the wool business, and those men are emphatic in condemnation of some of the operations of the Pool. That being so, is it not as well to try and allay such suspicions, and to allow the Auditor-General to get at the books of the companies involved? The Minister cannot deny that if a Royal Commission were sitting to-day, and the Auditor-General were asked whether he should have access to those books, he would respond in an emphatic affirmative. If our request that the supervision of the Auditor-General be granted means the breaking of an agreement—as has been alleged—then that agreement must be a very rotten affair.

Mr. HIGGS.—Why are they fighting their own Auditor-General?

Mr. FENTON.—That is the question. Honorable members opposite stated yesterday that the Auditor-General was one of the finest public servants in the Commonwealth. Yet there is Ministerial opposition to giving an officer of such superlative qualities his proper rights of supervision.

It is quite likely that, at some later stage, Parliament will be asked, not only to amend the present Bill, but to appoint a Royal Commission to inquire into the operations of all the Pools. I realize to-day, however, that the Ministerial whip has been cracked. Honorable members opposite must pocket their own views, and their principles too—if they have them—and must vote in a direction contrary to their beliefs. They have come to heel upon a question which should be free from party bias or politics.

Mr. **FOWLER** (Perth) [3.43].—The statement of the honorable member for Capricornia (Mr. Higgs) does not satisfy me—not because it goes too far, but for the reason that it does not go far enough. It is not sufficiently comprehensive to meet the position indicated by several honorable members opposite. While two specific firms have been singled out, there are, no doubt, many other activities in which the Government are interested to a greater or less degree as a partner, and which should be subject to inspection and investigation. There is no question that the Government is committed to these agreements. If an amendment of the nature put forward by the honorable member for Capricornia were carried, it would undoubtedly be equivalent to a vote of no-confidence in the Government. I am not prepared to see the Government resign upon a minor issue. I want to see something larger before Parliament expresses an opinion of so serious a nature. If the honorable member for Capricornia (Mr. Higgs) will introduce a comprehensive proposal intimating that this House desires an investigation of all concerns in which the Government and Parliament are interested, I will give it my hearty support.

Mr. HIGGS.—I believe the Attorney-General has power over all the other transactions and operations of companies, except in regard to these two companies.

Mr. FOWLER.—I am not sure whether his power goes as far as that suggested by the honorable member's amendment. It certainly would be advisable to put the position beyond question by definitely indicating the duty of the Auditor-General in regard to all these concerns. It is not sufficient to leave to his discretion the extent to which his investigations shall go. He should receive from this Parliament a precise direction, and I would certainly be glad to support a provision of that effect.

Mr. HIGGS.—I am afraid the Government would put such a proposal at the bottom of the business-paper.

Mr. FOWLER.—Other methods of obtaining the opinion of the House are open to the honorable member, and I again pledge myself to support him if he adopts any of those methods. There is no question as to the necessity for a careful supervision and investigation of many of these business interests into which the Government have entered. A more comprehensive method is desirable, and I believe that both the Parliament and the people desire something of the kind. There is, I regret to say, an atmosphere of

suspicion surrounding a good many of the operations of these governmental activities, and it is our duty to dissipate that atmosphere at the earliest moment. I shall, however, support the Government in regard to this amendment, not because I wish to spare their feelings, but for the reason that I wish to see an issue of the kind raised by the honorable member put before us in a more general and comprehensive way.

Question—That the words proposed to be added to the proposed new subclause (Mr. TUDOR's amendment) be so added—put. The Committee divided.

Ayes	16
Noes	31
Majority	15

AYES.

Blakeley, A.	McDonald, C.
Brennan, Frank	Riley, E.
Considine, M. P.	Tudor, F. G.
Fenton, J. E.	West, J. E.
Finlayson, W. F.	Yates, G. E.
Gregory, H.	
Higgs, W. G.	*Tellers:*
Mahony, W. G.	McWilliams, W. J.
Maloney, Dr.	Page, J.

NOES.

Abbott, Lt.-Colonel	Leckie, J. W.
Archibald, W. O.	Lynch, J.
Atkinson, L.	Mackay, G. H.
Bamford, F. W.	Maxwell, G. A.
Bayley, J. G.	Poynton, A.
Burchell, R. J.	Rodgers, A. S.
Chapman, Austin	Sampson, S.
Corser, E. B. C.	Sinclair, H.
Foster, Richard	Smith, Bruce
Fowler, J. M.	Smith, Laird
Gibson, W. G.	Spence, W. G.
Glynn, P. McM.	Webster, W.
Greene, W. M.	Wise, G. H.
Groom, L. E.	*Tellers:*
Jowett, E.	Story, W. H.
Lamond, Hector	Thomson, John

PAIRS.

Anstey, F.	Watt, W. A.
Catts, J. H.	Best, Sir Robert
Charlton, M.	Orchard, R. B.
Corboy, E. W.	Pigott, H. R. M.
McDonald, C.	Livingston, J.
McGrath, D. C.	Lister, J. H.
Nicholls, S. R.	Boyd, J. A.
Wallace, C.	Fleming, W. M.
Watkins, D.	Palmer, A. C.

Question so resolved in the negative.
Amendment negatived.

Question—That the proposed new subclause (Mr. HIGGS' amendment) be added—put. The Committee divided.

Ayes	14
Noes	30
Majority	16

AYES.

Blakeley, A.	Riley, E.
Brennan, Frank	Tudor, F. G.
Considine, M. P.	West, J. E.
Fenton, J. E.	Yates, G. E.
Higgs, W. G.	
Mahony, W. G.	*Tellers:*
Maloney, Dr.	Finlayson, W. F.
McDonald, C.	Page, J.

NOES.

Abbott, Lt.-Colonel	Lynch, J.
Archibald, W. O.	Mackay, G. H.
Bamford, F. W.	Maxwell, G. A.
Bayley, J. G.	Poynton, A.
Burchell, R. J.	Rodgers, A. S.
Chapman, Austin	Sampson, S.
Corser, E. B. C.	Sinclair, H.
Foster, Richard	Smith, Bruce
Fowler, J. M.	Smith, Laird
Gibson, W. G.	Spence, W. G.
Glynn, P. McM.	Webster, W.
Greene, W. M.	Wise, G. H.
Groom, L. E.	
Jowett, E.	*Tellers:*
Lamond, Hector	Story, W. H.
Leckie, J. W.	Thomson, John

PAIRS.

Anstey, F.	Watt, W. A.
Catts, J. H.	Best, Sir Robert
Charlton, M.	Orchard, R. B.
Corboy, E. W.	Pigott, H. R. M.
McDonald, C.	Livingston, J.
McGrath, D. C.	Boyd, J. A.
Nicholls, S. R.	Lister, J. H.
Wallace, C.	Fleming, W. M.
Watkins, D.	Palmer, A. C.

Question so resolved in the negative.
Amendment negatived.
Progress reported.

ADJOURNMENT.

SEAMEN'S STRIKE: RELIEF OF DISTRESS.

Mr. GROOM (Darling Downs—Minister for Works and Railways and Acting Attorney-General) [4.0].—I move—

That the House do now adjourn.

In view of the long debate that has taken place on the Commercial Activities Bill, I ask honorable members to assist me to get the Bill passed early next week. I think that they will agree that it has had ample discussion.

Mr. TUDOR (Yarra) [4.1].—I take advantage of the motion to direct the attention of the Minister leading the House to a matter of urgent public importance. I raise the question now with a view to obtaining information from the honorable gentleman on the subject when the House meets on Wednesday next. It is known to every one that, owing to the present industrial dispute, a great number of people are out of employment, particularly in the metropolitan area of this State. Several deputations have waited upon the Acting Prime Minister (Mr. Watt) in connexion with the matter. I was present with more than one of those deputations, and as a result of their representations the honorable gentleman granted the sum of £1,000 for the relief of distress in Melbourne. The Victorian Government granted a similar amount. When the matter was referred to, a fortnight or three weeks ago, the honorable member for Illawarra (Mr. Hector Lamond), I think, asked whether similar assistance would be given in the other States. I ask the Government to see that the assistance given for the relief of distress in the metropolitan area of this State shall be the same as that given in New South Wales. I can assure honorable members that the distress here is acute, because I happen to live in a district in which there are a great number of unemployed at the present time, and have come directly in contact with some of the relief work. Whilst a grant of £1,000 was made by the Federal Government, and a grant of a similar amount by the State Government in Victoria, in New South Wales £5,000 was granted by the Federal Government and £5,000 by the New South Wales Government, although I am glad to say that the distress has not been so great in New South Wales as, unfortunately, it is in this State. The factories in New South Wales are nearer to the coal supplies, and therefore can be kept going more easily than can the factories here. I ask the Minister leading the House to see whether it is not possible for additional assistance to be given to the Trades Hall Relief Committee in Melbourne, who have been distributing relief granted here. There is one thing noticeable in connexion with the distribution of relief by benevolent societies, and it is that people who go to such societies for relief make a habit of going to them. Robert Hunter has made that statement in his book *Poverty*, and I am able to confirm it by personal experience, as my wife has been associated with the Ladies Benevolent Society of the city of Richmond for the past twelve or fifteen years, and it is the experience of that society that, once people come to them for assistance, they continue to do so, and are very reluctant to cease. It is possible that if the local distribution of grants for relief by the Commonwealth and State Governments is adopted it may have the effect of sapping the independence of people who go to the relief committees for assistance, inasmuch as they may be led to believe that they will be entitled to such charitable relief at all times. It will be admitted that if that were the effect it would not be to the advantage of the community. Perhaps the Minister will see if it is correct that the Federal Government has granted £5,000 for the relief of distress in Sydney, where, apparently, the distress is not so great as in Melbourne, and only £1,000 for the relief of distress here. I believe that there has not been a single word in criticism of the fairness of the distribution of the grant for relief by the Melbourne Trades Hall Relief Committee. Any one who has had anything to do with relief work must be aware that, no matter by whom relief is distributed, there will be found people who will try to impose upon those in charge of it; but I do not think that there will be a greater percentage of such cases coming before the Trades Hall Relief Committee than before the local committees. I hope that the Government will look into the matter with a view of seeing whether the relief of persons in distress may not be more fairly adjusted than it appears to be at the present time.

Mr. BURCHELL (Fremantle) [4.4].—After listening to the appeal made by the Leader of the Opposition (Mr. Tudor), one is tempted to ask the Minister now leading the Government in this House what they are doing to provide for the relief of distress in each of the States of the Commonwealth. We can all appreciate the difficulties under which working men and women are labouring at the present time. In Western Australia people

are suffering very severely, indeed, as a result of the shipping strike, and representatives of that State are constantly being bombarded with requests for some amelioration of the position. Ordinary merchandise, for example, has been overcarried to the eastern States, and efforts are now being made to have it returned; in the meantime the community generally are suffering quite as much as the residents in manufacturing centres. When the Acting Leader of the House is replying to the Leader of the Opposition (Mr. Tudor), I hope we shall have some comprehensive statement as to what is being done by the Government in each State.

Mr. GROOM (Darling Downs—Acting Attorney-General) [4.6].—I shall have both the matters referred to looked into, and see that an answer is supplied later on.

Question resolved in the affirmative.

House adjourned at 4.7 p.m.

Members of the House of Representatives.

Speaker—The Honorable William Elliot Johnson.

Chairman of Committees—The Honorable John Moore Chanter.

[10]Abbott, Percy Phipps, C.M.G.	Lieut.-Colonel	New England (N.S.W.)
Anstey, Frank	..	Bourke (V.)
Archibald, Hon. William Oliver		Hindmarsh (S.A.)
[4]Atkinson, Llewelyn	..	Wilmot (T.)
[4]Bamford, Hon. Frederick William		Herbert (Q.)
Bayley, James Garfield	..	Oxley (Q.)
Best, Hon. Sir Robert Wallace, K.C.M.G.		Kooyong (V.)
Blakeley, Arthur	..	Darling (N.S.W.)
[3]Boyd, Hon. James Arthur		Henty (V.)
Brennan, Frank	..	Batman (V.)
[9]Bruce, Stanley Melbourne		Flinders (V.)
Burchell, Reginald John		Fremantle (W.A.)
Catts, James Howard	..	Cook (N.S.W.)
Chanter, Hon. John Moore		Riverina (N.S.W.)
Chapman, Hon. Austin	..	Eden-Monaro (N.S.W.)
[4]Charlton, Matthew	..	Hunter (N.S.W.)
Considine, Michael Patrick		Barrier (N.S.W.)
Cook, Right Hon. Sir Joseph, P.C., G.C.M.G.		Parramatta (N.S.W.)
[13]Corboy, Edwin Wilkie	..	Swan (W.A.)
[3]Corser, Edward Bernard Cresset		Wide Bay (Q.)
Falkiner, Franc Brereton Sadleir		Hume (N.S.W.)
Fenton, James Edward	..	Maribyrnong (V.)
Finlayson, William Fyfe	..	Brisbane (Q.)
Fleming, William Montgomerie		Robertson (N.S.W.)
[11]Forrest, Right Hon. Lord P.C., G.C.M.G.		Swan (W.A.)
Foster, Hon. Richard Witty		Wakefield (S.A.)
Fowler, Hon. James Mackinnon		Perth (W.A.)
[14]Gibson, William Gerrand		Corangamite (V.)
Glynn, Hon. Patrick McMahon, K.C.		Angas (S.A.)
Greene, Hon. Walter Massy		Richmond (N.S.W.)
Gregory, Hon. Henry	..	Dampier (W.A.)
Groom, Hon. Littleton Ernest		Darling Downs (Q.)
Heitmann, Edward Ernest		Kalgoorlie (W.A.)
Higgs, Hon. William Guy		Capricornia (Q.)
[1]Howroyd, Charles Richard		Darwin (T.)
Hughes, Right Hon. William Morris, P.C., K.C.		Bendigo (V.)
[7]Irvine, Hon. Sir William Hill, K.C.M.G., K.C.		Flinders (V.)
Jensen, Hon. Jens August		Bass (T.)
Johnson, Hon. William Elliot		Lang (N.S.W.)
[6]Jowett, Edmund	..	Grampians (V.)
Kelly, Hon. William Henry		Wentworth (N.S.W.)
Lamond, Hector	..	Illawarra (N.S.W.)
Leckie, John William	..	Indi (V.)
Lister, John Henry	..	Corio (V.)
Livingston, John	..	Barker (S.A.)
Lynch, John	..	Werriwa (N.S.W.)
Mackay, George Hugh	..	Lilley (Q.)
Mahony, William George		Dalley (N.S.W.)
Maloney, William	..	Melbourne (V.)
[12]Manifold, Hon. James Chester		Corangamite (V.)
Mathews, James	..	Melbourne Ports (V.)
Maxwell, George Arnot	..	Fawkner (V.)
McDonald, Hon. Charles	..	Kennedy (Q.)
[8]McGrath, David Charles		Ballaarat (V.)
McWilliams, William James		Franklin (T.)
Nicholls, Samuel Robert	..	Macquarie (N.S.W.
Orchard, Hon. Richard Beaumont		Nepean (N.S.W.)
Page, Hon. James	..	Maranoa (Q.)
Palmer, Albert Clayton	..	Echuca (V.)
Pigott, Henry Robert Maguire		Calare (N.S.W.)
Poynton, Hon. Alexander		Grey (S.A.)
Riley, Edward	..	South Sydney (N.S.W.)
Rodgers, Arthur Stanislaus		Wannon (V.)
Ryrie, General Granville de Laune, C.B., C.M.G.		North Sydney (N.S.W.)
[5]Salmon, Hon. Charles Carty		Grampians (V.)
Sampson, Sydney	..	Wimmera (V.)
Sinclair, Hugh	..	Moreton (Q.)
Smith, Hon. Bruce, K.C.		Parkes (N.S.W.)
Smith, Hon. William Henry Laird		Denison (T.)
[2]Spence, Hon. William Guthrie		Darwin (T.)
Story, William Harrison	..	Boothby (S.A.)
Thomson, John	..	Cowper (N.S.W.)
Tudor, Hon. Frank Gwynne		Yarra (V.)
Wallace, Cornelius	..	West Sydney (N.S.W.)
Watkins, Hon. David	..	Newcastle (N.S.W.)
Watt, Hon. William Alexander		Balaclava (V.)
Webster, Hon. William	..	Gwydir (N.S.W.)
West, John Edward	..	East Sydney (N.S.W.)
Wise, Hon. George Henry		Gippsland (V.)
Yates, George Edwin	..	Adelaide (S.A.)

Heads of Departments.

Senate.—C. G. Duffy, C.M.G.
House of Representatives.—W. A. Gale.
Parliamentary Reporting Staff.—B. H. Friend.
Library.—A. Wadsworth.
Joint House Committee.—G. H. Monahan.

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1. Decease reported 17th June, 1917.——2. Elected 30th June, 1917 Sworn 11th July, 1917.——3. Sworn 11th July, 1917.——4. Appointed Temporary Chairman of Committees, 18th July, 1917.——5. Decease reported 18th September, 1917.——6. Elected 27th October, 1917 Sworn 9th January, 1918 ——7. Resignation reported 5th April, 1918.——8. Sworn 19th April, 1918.——9. Elected 11th May, 1918 Sworn 22nd May, 1918.——10 Sworn 7th June, 1918.——11. Decease reported 18th September, 1918.—12. Decease reported 20th October, 1918.—13. Elected 26th October, 1918. Sworn 20th November, 1918.——14. Elected 14th December, 1918 Sworn 25th June, 1919.

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D. F. LUMSDEN,
Acting Principal Parliamentary Reporter.

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LIBRARY.—The President, Senator Lt.-Col. Bolton, Senator Gardiner, Senator Keating, Senator Lynch, Senator Maughan, and Senator Pratten.

HOUSE.—The President, Senator Bakhap, Senator Buzacott, Senator Lt.-Col. O'Loghlin, Senator Needham, and Senator Col. Rowell.

PRINTING.—Senator Barker, Senator Guy, Senator Newland, Senator Plain, Senator Reid, and Senator Senior.

DISPUTED RETURNS AND QUALIFICATIONS.—Senator Barnes, Senator Keating, Senator Lynch, Senator Maughan, Senator Pratten, and Senator Senior.

PUBLIC WORKS.—Senator Henderson, Senator Needham, and Senator Newland.

PUBLIC ACCOUNTS.—Senator Crawford†, Senator Earle, Senator Fairbairn,* and Senator McDougall.

INTOXICATING LIQUOR: SELECT COMMITTEE TO INQUIRE INTO EFFECT ON AUSTRALIAN SOLDIERS, &c.—Senator Thomas, Senator Lieut.-Col. Bolton, Senator Buzacott, Senator Foll, Senator Grant, Senator Guy, and Senator Col. Rowell.

* Discharged from attendance, 22nd May, 1918.
† Appointed 29th May, 1918.

HOUSE OF REPRESENTATIVES.

STANDING ORDERS.—Mr. Speaker, the Prime Minister, the Chairman of Committees, Mr. Charlton, Mr. Fowler, Mr. Poynton, and Mr. Tudor.

LIBRARY.—Mr. Speaker, Mr. Anstey, Mr. Archibald, Mr. Glynn, Mr. Higgs, Mr. McDonald, Mr. Bruce Smith, Mr. Fowler,* and Mr. Wise.

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* Appointed 17th July, 1919.

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